



**DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY
254th MEETING OF THE BOARD OF DIRECTORS**

Thursday, June 6, 2019

9:30 a.m.

Headquarters

1385 Canal Street, SE

2nd Floor-Board Room

- I. **Call to Order (Chairman Tommy Wells)**
- II. **Roll Call (Linda Manley, Board Secretary)**
- III. **Approval of May 2, 2019 Meeting Minutes**
- IV. **Chairman's Overview**
- V. **Committee Reports**
 1. **Human Resource and Labor Relations Committee (Jed Ross)**
 2. **Governance Committee (Ellen Boardman)**
 3. **Environmental Quality and Operations Committee (Adam Ortiz)**
 4. **Finance and Budget Committee (Anthony Giancola)**
 5. **DC Retail Water and Sewer Rates Committee (Rachna Bhatt)**
 6. **Special Meeting of the Audit Committee (Floyd Holt)**
- VI. **Issues of General Interest**
- VII. **CEO/General Manager's Report (David Gadis)**
 - **American Water Infrastructure Act and DC Water's Efforts for Compliance Presentation** – Dusti Lowndes, Director of Emergency Management
 - **Emergency Management Accreditation Program (EMAP) Award Presentation** – Mike Daniska, EMAP Commissioner
- VIII. **Summary of Contracts (FYI)**
- IX. **Consent Items (Joint Use)**
 1. **Approval to Execute Contract No. 130180, Ulliman Schutte Construction, LLC – Resolution No. 19-28** (Recommended by the Environmental Quality and Operations Committee 05/16/19)
 2. **Approval to Execute Supplemental Agreement No. 11 of Contract No. DCFA #380-WSA, Arcadis District of Columbia, P.C. – Resolution No. 19-29** (Recommended by the Environmental Quality and Operations Committee 05/16/19)

3. [Approval to Execute Supplemental Agreement No. 5 of Contract No. DCFA #425,WSA, HDR Engineering, Inc.. – Resolution No. 19-30](#) (Recommended by the Environmental Quality and Operations Committee 05/16/19)
4. [Approval to Execute Contract No. 18-PR-DFS-38, ADP Consultants Inc. – Resolution No. 19-31](#) (Recommended by the Environmental Quality and Operations Committee 05/16/19)
5. [Approval to Exercise Option Year Three \(3\) of Contract No. 16-PR-DWT-13A, Urban Service Systems Corporation – Resolution No. 19-32](#) (Recommended by the Environmental Quality and Operations Committee 05/16/19)
6. [Approval to Execute Contract No. 18-PR-DIT-59, Infosys Public Service, Inc. – Resolution No. 19-33](#) (Recommended by the Environmental Quality and Operations Committee 05/16/19)
7. [Approval to Execute Contract No. 17-PR-CFO-20A,20B,20C, Alliant Insurance Services, Aon Risk Solutions, Inc., of Washington, DC and Willis of Maryland, Inc. – Resolution No. 19-34](#) (Recommended by the Finance and Budget Committee 05/23/19)
8. [Approval to Execute Contract No. 19-PR-OCEO-13, RSM US LLP \(RSM\) – Resolution No. 19-35](#) (Recommended by the Audit Committee 05/28/19)

X. Consent Items Non-Joint Use

1. [Approval to Revise the Resolution for Implementing the Lead Service Line Replacement Policy – Resolution No. 19-36](#) (Recommended by the Environmental Quality and Operations Committee 05/16/19)
2. [Approval to Publish Notice of Proposed Rulemaking to Amend Regulations to Extend the Customer Assistance Program \(CAP\) to FY 2020, Effective October 1, 2019 – Resolution No. 19-37](#) (Recommended by the DC Retail Water and Sewer Rates Committee 05/28/19)

XI. Executive Session

XII. Adjournment (Chairman Tommy Wells)

1 The DC Water Board of Directors may go into executive session at this meeting pursuant to the District of Columbia Open Meetings Act of 2010, if such action is approved by a majority vote of the Board members who constitute a quorum to discuss: matters prohibited from public disclosure pursuant to a court order or law under D.C. Official Code § 2-575(b)(1); contract negotiations under D.C. Official Code § 2-575(b)(2); legal, confidential or privileged matters under D.C. Official Code § 2-575(b)(4); collective bargaining negotiations under D.C. Official Code § 2-575(b)(5); facility security under D.C. Official Code § 2-575(b)(8); disciplinary matters under D.C. Official Code § 2-575(b)(9); personnel matters under D.C. Official Code § 2-575(b)(10); proprietary matters under D.C. Official Code § 2-575(b)(11); decision in an adjudication action under D.C. Official Code § 2-575(b)(13); civil or criminal matters where disclosure to the public may harm the investigation under D.C. Official Code § 2-575(b)(14), and other matters provided in the Act.

Upcoming Committee Meetings – New Headquarters Building

- Public Hearing on Proposed FY 2020 Rates, Wednesday, June 12th @ 6:30 p.m.
- General Manager’s Performance Review Committee, Monday, June 17th @ 9:30 a.m.
- Environmental Quality and Operations Committee – Thursday, June 20, 2019 @ 9:30 a.m.
- DC Retail Water and Sewer Rates Committee – Tuesday, June 25, 2019 @ 9:30 a.m.
- Finance and Budget Committee – Thursday, June 27, 2019 @ 11:00 a.m.



**DISTRICT OF COLUMBIA
WATER AND SEWER AUTHORITY**

BOARD OF DIRECTORS
Human Resources and Labor Relations
Committee
May 08, 2019

MEETING MINUTES

Committee Members Present

Jed Ross, Vice Chairperson
Kendrick Curry
Lavinia Baxter
Sarah Motsch
Joseph Gill

DC Water Staff Present

David Gadis CEO and General Manager
Gregory Hope, Interim EVP Legal Affairs
Keith J. Lindsey, Interim EVP People and Talent
Linda R. Manley, Board Secretary
George E. Spears, Manager Labor Relations

Union Presidents

Michele Hunter, NAGE R3-06
Barbara Milton, AFGE 631
Jonathan Shanks, AFGE 872

1. Call to Order

Vice Chairperson, Jed Ross called the meeting to order at 11:05 a.m.

2. Union Topics

- Implementation concerns with the Advancing Blue Performance Management Program
- DC Water Requiring Union Employees that do not operate or work on vehicles to have CDL License
- Concerns Regarding the practices of the Authority's Medical Director for DCL certifications
- Open Discussion

Vice Chairperson, Jed Ross, addressed the Union Presidents and thanked them for attending this meeting. Mr. Ross began to address Union Topic 2-A as noted above. Barbara Milton, President of AFGE 631, explained the contents of the document she has submitted regarding the Advancing Blue Performance Management Program. At this time, she is asking the Board to look at the program to ensure that it is functional and fair to employees. In addition, she does not feel that there is a set of guidelines to properly guide

Human Resources and Labor Relations Committee
Minutes for May 08, 2019
Page 2 of 2

employees from the beginning and have a clear understanding of the program. The Vice Chairperson asked if any of the Committee members have questions before proceeding. The Vice Chairperson added that he is familiar with the content in the Performance Management and will discuss the concerns being presented with Management to do some analysis. In addition, the Vice Chairperson congratulated the Union Presidents and Mr. David Gadis for their continued work to ensure these issues are handled in a timely manner. Union President, Barbara Milton, added that the Unions would like to see guidelines for employees to see the programs from the beginning, middle and end. Furthermore, in the documents provided there are samples of previous hand-outs put together on behalf of AFGE 631 to have a better understanding of the performance management program currently in place. The Vice Chairperson responded confirming that the hand-outs will be considered and will need to be addressed to all employees and thanked the Union Presidents for bringing up these issues.

The Vice Chairperson proceeded to discuss Union Topic 2-B. Barbara Milton, President of AFGE 631 responded that A, B, and C are conjoined. Due to lack of clarity, the issues presented in these Union topics are all addressed in the documentation that was provided to the Committee. The Vice Chairperson responded that he would consider the Authority's program and look further into this document to address and make necessary changes.

The Vice Chairperson addressed the Impacts in Effect portion of the Memorandum of Understanding (MOU) that is currently in place for four out of five Unions. Michele Hunter, President of NAGE R3-06, and Jonathan Shanks, President of AFGE 872 confirmed that the MOU was worked on with the Chief of Staff. Vice Chairperson, Jed Ross, further confirmed that the MOU was negotiated and confirmed. Barbara Milton confirmed that all Unions except for AFGE 631 were part of the MOU. The reason for this is that AFGE 631 wants to raise their concerns separately to ensure that it is fair and equitable for all employees and not for bargaining. The Vice Chairperson clarified that there are continuous negotiations regarding this program with the Union President of AFGE 631, Barbara Milton, on a separate platform. The Vice Chairperson reconfirmed that this matter will be addressed and considered further to provide all employees the appropriate guidelines.

3. Executive Session

There was not an executive session during this meeting.

4. Adjournment

The meeting adjourned at 11:11 a.m.



**DISTRICT OF COLUMBIA
WATER AND SEWER AUTHORITY**

Board of Directors

Governance Committee

Tuesday, May 13, 2019

9:00 a.m.

MEETING MINUTES

Committee Members

Ellen O. Boardman, Chairperson
Lavinia A. Baxter (by phone)
Rachna Bhatt
David Franco
Ivan Frishberg
Fariba Kassiri (by phone)
Emile C. Thompson
Tommy Wells

DC Water Staff

David L. Gadis, CEO/General Manager
Mustaafa Dozier, Chief of Staff
Gregory Hope, Interim Executive Vice
President, Office of Legal Affairs
Korey Gray, Director, Enterprise Programs
Alan Heymann, President, Blue Drop
Linda Manley, Board Secretary

Call to Order

Chairperson Boardman called the meeting to order at 9:02 a.m.

Agenda Item #1 – FY 2018 Certified Business Utilization Report

Korey Gray, DC Water’s Compliance Officer, presented Agenda Item #1 – FY 2018 Certified Business Utilization Report.

Overview

Mr. Gray began by providing a background of DC Water’s approach and mission to the certified business utilization program, as defined in the modified Business Development Plan (BDP) in 2009. The program is designed to encourage the participation and support the utilization of certified firms on all Goods and Services projects, including Construction projects, and enhance the participation, growth and development of minority and women owned-business enterprises (M/WBE) on such projects. Mr. Gray added that the implementation and compliance with the BDP is a joint effort between DC Water’s Department of Engineering and Technical Services (DETS), Procurement and Compliance Departments, and Clean Rivers, with the General Manager’s oversight.

The certified business utilization program is split in two parts:

1. Discretionary Projects supported by ratepayer funds, with award preference given to local small business enterprises (L/SBE), which is supported by ratepayer funds; and
2. Projects funded/supported by funds from the Environmental Protection Agency (EPA), with such funds having standing goals for Minority Business Enterprises (MBE) of twenty-eight (28) percent participation for professional services and four (4) percent participation for construction services, and Women-owned Business Enterprises (WBE) with standing goals of four (4) percent and six (6) percent, respectively. Mr. Gray explained that an Availability Analysis is conducted every three (3) years and submitted to the EPA to evaluate and establish goals for each project type for minority or women owned business enterprises (M/WBE).

In response to Mr. Thompson's and Chairperson Boardman's inquiries regarding the determination of an enterprise as M/WBE, Mr. Gray explained that the EPA defines and provides guidance on disadvantaged business enterprise (DBE) certification requirements and standards, and the decision is based solely on socio-economic status not race. Mr. Gray added that any state DBE can be considered under the EPA requirement. Committee member Franco asked how Local Small Business Enterprises (L/SBEs) are recognized. Mr. Gray explained that any certified DBE, located in the User Jurisdiction, is given preference.

In FY 2018, DC Water awarded a combined \$93.33 million in contracts, modifications and change orders. The details of these totals are:

- Exempt Awards--means awards are exempt from the preference points per the BDP.
 - There were three (3) Exempt Awards totaling \$4.05 million. There was no L/SBE participation in these contracts. However, DC Water's Solar Power Project, although exempt, is using M/WBE firms: two (2) certified M/WBE's were awarded contracts at \$79,000 and \$483,000.
 - In response to Chairperson Boardman's inquiry, Mr. Gray explained that projects were awarded to two (2) firms that provide chemicals, and one (1) firm for the solar project.
- Simplified Acquisitions – means purchases between \$25,000 and \$99,999. These purchases are also exempt from preference points per the BDP.
 - There were 4,385 projects awarded, totaling \$18.89 million, with L/SBE participation totaling \$3.05 million (16% participation rate).
 - In response to Committee Member Frishberg, Mr. Gray explained that firms are considered for L/SBE preference if they are principally located in User Jurisdiction, and certified as local or small.
- Large Discretionary Awards – means procurements that are \$100,000 or greater, which include Large Goods and Services, Construction (non-federally

supported), and Green Infrastructure (GI) projects, with the GI projects being subject to a 50% certified business enterprises (CBE) goal.

- There were 44 projects, totaling \$17.71 million, awarded in Large Goods and Services contracts. Of these, twenty-two (22) projects were awarded to firms in the User Jurisdiction, totaling \$12.07 million, and twenty-two (22) were awarded outside of the User Jurisdiction, totaling \$5.6 million. Sixteen (16) of those projects were awarded to L/SBEs, totaling \$6.9 million (38.85% participation rate).
 - There were two (2) Green Infrastructure (GI) construction projects totaling \$8.04 million in awards. Of this amount, \$7.21 million was awarded to certified L/SBEs (89.6% participation rate).
 - Mr. Gray also reported on participation rates for active Large Discretionary Projects that were awarded in prior years. There are 307 active Large Goods and Service projects, totaling \$87.02 million, with LSBE participation at \$28.11 million. Additionally, there were three (3) GI projects awarded, totaling \$34.88 million, with CBE participation at \$31.11 million (89.2%).
- EPA Eligible (not funded) Non-Discretionary Awards – means EPA projects eligible for EPA assistance, but are not currently funded by EPA.
- In FY2018, there were four (4) awards totaling \$41.02 million. Of these, the average MBE utilization rate was 25%, and the average WBE utilization rate 5.6%.
 - The average MBE/WBE goal for this type is 25.26% and 6% respectively.
 - DC Water expects to meet both goals for these projects.
 - Mr. Gray added that there were thirty-five (35) active construction projects totaling \$1.09 billion; with MBE participation at \$275 million (25%), and WBE participation at \$49.95 million (4.6%). Thirty-one (31) of these projects are expected to meet the goals. He also reported that there were four (4) active design projects totaling \$27.4 million; with MBE participation at \$7.6 million (27.73%) and WBE participation at \$2.9 million (10.44%). All design projects are expected to meet goals.
 - In response to Committee Member Thompson’s inquiry on the disparity between participation in each contract type depends a lot on the expertise required for the work being performed therein.
- EPA Fair Share Objective Awards – means contracts that receive EPA assistance.
- In FY2018, there was one (1) project awarded under this type, totaling \$3.6 million. The MBE participation was 88%, totaling \$3.2 million; and the WBE participation was 12%, totaling \$455,915.
 - The MBE/WBE goal for this type is 32% and 6% respectively.
 - There were 5 active projects under this project type in FY18, totaling \$70.65 million, with MBE contract amounts at \$21.7 million (30.7%

participation rate) and WBE contract amounts at \$4.83 million (6.84% participation rate).

Mr. Gray concluded by highlighting DC Water's good faith outreach and compliance efforts. Some of the highlights of FY18 included DC Water's recovery of \$27,000 in payroll restitution for contractor employees and its production of twenty-three (23) Vendor Day events to provide education on DC Water's procurement process and goals.

Chairperson Boardman asked Mr. Gray to explain the factors that prompt an investigation into payroll certifications. He explained the investigation was part of DC Water's normal business operations. DC Water now has a proactive and ongoing program to review all contractor certified payrolls to ensure compliance with the various laws, regulations and policies.

In response to Committee Member Butani's inquiry about Vendor Day statistics, Mr. Gray agreed to provide the Board with an accounting of the number of firms DC Water met with at the events.

At the conclusion of Mr. Gray's presentation, both Chairperson Boardman and Mr. Gadis applauded Mr. Gray and his team for their efforts, ability and the great work that they do.

Agenda Item #2 – Blue Drop Activity Update

Alan Heymann, DC Water's Chief Marketing Officer and President of Blue Drop, presented Agenda Item #2 – Blue Drop Activity Update.

Before Mr. Heymann presented the Blue Drop Activity update, Chris Peot, DC Water's Director of Resource Recovery, provided an update on an emerging issue in the Bloom program. Mr. Peot explained that marketing of Bloom has been suspended for two (2) weeks because of a rise in fecal coliform counts in DC Water's internal testing. Fecal coliform is an indicator organism that the EPA uses to measure the bio-solids pathogen levels to ensure product is safe for reuse.

Mr. Peot noted that explained that certified lab test and data performed on the Bloom product has never exceeded compliance levels for fecal coliform. Samples for the certified lab are below required levels, however, the levels of fecal coliform in DC Water's internal testing increased above acceptable levels for a few samples in March and April. Mr. Peot noted that EPA regulations require certified results that exceedance the regulation to be reported. He reiterated that DC Water's certified sample had not exceeded the required levels, but that DC Water took the precautionary approach and good business practice to disclose the exceedances of its internal tests to EPA and its customers.

Committee Questions Regarding Bloom Production Issues

1. In response to Chairperson Boardman's inquiry, Mr. Peot defined customers as businesses and groups who received material with increased levels of fecal coliform.
2. In response to Committee Member Franco's inquiry about the exceedance of the regulatory limits in the products shipped, Mr. Peot confirmed that regulatory limits in the bagged product did not exceed compliance standards.
3. In response to Committee Member Franco's inquiry on the distribution and testing process, Mr. Peot explained that DC Water is required to conduct seven (7) monthly samples to analyze Bloom for certain pollutants and pathogens, including fecal coliform.
4. DC Water's Board of Directors' Chairperson Wells asked about the status of the Memorandum of Understanding (MOU) to execute the study to test Bloom. Mr. Hope, Interim Executive Vice President for the Office of Legal Affairs, responded that technical staff will submit revisions to the Department of Energy and Environment (DOEE) within one (1) week.
5. Chairperson Wells then asked if there were national concerns about the Bloom product and Mr. Peot responded that the Sierra Club through the MOU will conduct a study to determine the cumulative effect of chemicals and pharmaceuticals that end up in biosolids.
6. Chairperson Boardman asked for a weekly update on progress and status of fecal coliform levels until the issue is resolved.

Blue Drop Staffing Update

Mr. Heymann began by re-introducing the Blue Drop team. First, Mr. Heymann introduced Blue Drop's full-time employees:

1. Kim Marshall, Director of Client Services, who began managing Blue Drop's portfolio of consulting projects. Ms. Marshall has since expanded her focus to wedding event planning and pipe leak detection technology for Blue Drop. She is currently studying for a Master of Business Administration (MBA) at the University of Maryland.
2. Francesca Valente, Director of Operations, has been instrumental in setting up Blue Drop's business model (Human Resources and Finance) and successfully facilitated an office move, which Blue Drop plans to do again in the fall.
3. April Thompson, Director of Bloom Marketing, has an extensive background in marketing, holds an MBA and recently graduated from the Miller Hyman's strategic selling program.

Mr. Heymann briefly discussed the makeup of Blue Drop's Board of Directors, which consists of seven (7) members, with the option to have up to nine (9) members. In response to Chairperson Boardman's inquiry about filling the two (2) vacancies, Mr. Heymann noted that the Blue Drop Board is fully functional and the vacancies have no impact on the organization. He also noted that efforts to fill the two (2) vacant seats are ongoing.

Mr. Heymann next reviewed Blue Drop's new priorities as of the summer of 2018, which include: 1) the coordination and collection of revenue on all DC Water non-ratepayer revenue projects; 2) the change in Blue Drop's focus from consulting to areas of growth and revenue; 3) becoming self-sustaining by the end of Blue Drop's third year; 4) operating exclusively with Blue Drop employees; and 5) developing a new strategic plan.

Next, Mr. Heymann reviewed Blue Drop's existing and new business lines and revenue streams, which include: 1) consultancy work (ten (10) consulting projects with eight (8) clients, in six (6) states and one (1) Canadian province); 2) the marketing and sale of Bloom; 3) the administration and collection of payments on DC Water's existing Intellectual Property (IP) contracts; 4) marketing and contracting cell phone tower leases on DC Water assets; and 5) marketing DC Water Headquarters for event rentals.

General Committee Questions Related to Blue Drop's New Business Lines (IP and Lease/Rentals) and Company Goals:

1. In response to Chairperson Boardman's inquiry about the benefits of transferring DC Water's IP to Blue Drop, Mr. Heymann responded that Blue Drop, from a marketing, sales and monitoring standpoint, has the more capacity to market and monitor IP contracts.
2. In response to Committee Member Franco's question about the revenue shift between DC Water and Blue Drop for the rental business lines, Mr. Heymann responded that the process is two-fold: first, identify the DC Water facilities with existing leases for cell phone towers and those facilities that have space available to place towers; and second, determine whether DC Water can negotiate lease agreements for maximum value and, if not, direct the business to Blue Drop.
3. In response to Committee Member Frishberg's inquiry regarding Blue Drop's goals, General Manager Gadis explained that the goal is to alleviate the burden to ratepayers by ensuring Blue Drop becomes completely self-sustaining, operates exclusively with full-time Blue Drop employees and pays a return to DC Water for its investment of employees utilized on Blue Drop activities.
4. In response to Committee Member Franco regarding the impetus for Blue Drop's creation, Mr. Heymann explained Blue Drop was created as a separate entity to DC Water, utilizing DC Water resources in the beginning, with the goal of becoming self-sustaining and successful within three (3) years.
5. In response to Chairperson Wells regarding Blue Drop's involvement with future solar and energy projects, Mr. Heymann explained that discussions are ongoing.

Bloom

Next, Mr. Heymann reviewed the Bloom program. He noted that DC Water diverted (sold) 37,510 tons of Class-A Biosolids (Bloom) since Blue Drop's inception through April 30, 2019. The revenue Blue Drop received from those sales is around \$310,313.

DC Water also saved around \$1.03 million in land application costs by diverting the 37,510 tons of Bloom.

In addition, Mr. Heymann highlighted that there has been a 726% increase in the sales of Bloom from 2018 to 2019. Notably, the Bloom product was completely sold out for two (2) weeks in April. Mr. Heymann also noted that the bagged Bloom product exists in Homestead Gardens, W.S. Jenks, and multiple hardware stores, including Annie's Hardware in DC.

Committee Questions Related to Bloom Business Line:

1. In response to Chairperson Boardman inquiry regarding the increase in sales, Mr. Heymann attributed the sales increase to the aggressive marketing efforts to farms.

Intellectual Property

Mr. Heymann then discussed the addition of Intellectual Property monetization to Blue Drop's business lines. He highlighted the existing contracts with Ovivo and Suez. He then introduced the next major IP project, Pipe Sleuth, which is a technology co-invented by DC Water's Information Technology (IT) and Engineering departments and a commercial company. Pipe Sleuth analyzes the defects in sewer pipes to help utilities determine where best to put resources in terms of repairs and upgrade.

Committee Questions Related to IP Business Line:

1. General Manager Gadis responded to Chairperson Boardman that a patent on Pipe Sleuth does not currently exist.
2. In response to Chairperson Boardman regarding other application of the technology, Mr. Heymann responded that while Pipe Sleuth is currently in use on DC Water pipes, it potentially can work on other types of pipes.
3. Committee Member Frishberg inquired about the water fountain IP device DC Water developed. Mr. Heymann agreed to provide a later update to the Board.

Lease/Rental

Mr. Heymann then reviewed cell phone tower leases and headquarters event rentals, with an anticipated start-up date of October 2019. He anticipates managing up to 125 events annually. Committee Member Baxter asked about what space was under consideration for rental. Ms. Marshall advised that the outdoor and indoor lobbies, second floor boardroom and atrium, and penthouse spaces are all under consideration.

Committee Questions Related to Lease/Rental:

1. Chairperson Wells asked about the approach to market the space at a competitive rate while including local disadvantaged community groups. Mr. Heymann responded that DC Water agreed to manage twelve (12) free community events annually. General Manager Gadis added that the Public Service Commission (PSC) has asked to reserve the space at a discounted rate for its next staff meeting.

Blue Drop Finances

Mr. Heymann then reviewed the overall financial position of Blue Drop. After a lengthy discussion with the Committee members about the financial numbers being disclosed and how those numbers may not accurately reflect Blue Drop's current financial position, Mr. Heymann agreed to provide a profit/loss statement that is not condensed, reflecting all revenue, expenses and net income.

Committee Questions Related to Blue Drop's Finances:

1. Committee Member Baxter asked if the land applications is attributed to the cost savings, and Mr. Heymann answered affirmatively. He added that Mr. Peot's budget was reduced by \$1 million for land application in FY 2018, because cost savings was anticipated from marketing and sale of Bloom, translating into a real financial impact to DC Water.
2. Committee Member Frishberg asked how DC Water accounts for cost savings in terms of a return on its initial investment to Blue Drop from a budgeting/accounting standpoint. Mr. Gadis responded that he believes DC Water cost savings should not be counted for Blue Drop. The Committee agreed to further discuss how DC Water's cost savings (avoidance of land application costs) should be factored against DC Water's initial investment in Blue Drop.
3. Committee Member Franco asked if DC Water has other expense areas outside of Blue Drop resulting in DC Water cost savings on the DC Water side. Mr. Heymann answered that DC Water staff time and co-administering the Bloom program result in costs savings to DC Water.

Blue Drop: Looking Forward

Finally, Mr. Heymann presented a newly crafted narrative for Blue Drop. The new company narrative is as follows: "Blue Drop supports DC Water and its ratepayers by marketing products and services to maximize revenue and cost avoidance, with a singularity of focus and a more nimble business structure.

Mr. Heymann explained General Manager Gadis recommended the changed narrative for two (2) reasons: 1) to provide new DC Water leadership and Board members the

opportunity to learn and understand Blue Drop's history, purpose and lessons learned; and 2) to highlight Blue Drop's goal to provide more value to DC Water through support, marketing efforts, generating revenue, all the while maintaining a single focus and nimble structure.

Chairperson Boardman acknowledged and commended Mr. Heymann and his team for their efforts, and encouraged continued support, constant examination and oversight of Blue Drop delivering on its mission.

Agenda Item #3 – Proposed Bylaws Amendment

Chairperson Boardman deferred Agenda item #3 – Amendment to DC Water Bylaws -- to a later date, to allow time to review and discuss the proposed amendment.

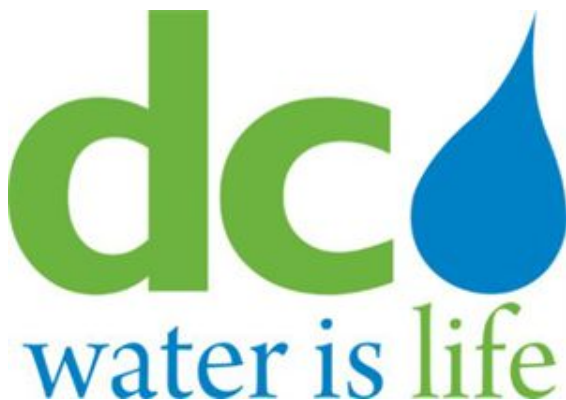
Chairperson Wells explained that the purpose of the proposed amendment is to create an executive committee to review and discuss issues and provide advice and/or direction to the Chairperson when exigent circumstances require quick action.

Chairperson Boardman stated that, consistent with past practice, proposed bylaws amendments should be reviewed by the Governance Committee prior to referral to the full Board. She welcomes the opportunity to review the proposal.

There being no further business, Chairperson Boardman adjourned the meeting at 11:14 a.m.

Follow-Up items for July 2019 Governance Committee Meeting

1. Committee member Bhatt requested an accounting of Vendor Day statistics, to include the number of participants at the events, and on simplified acquisition and large discretionary projects.
2. Mr. Gray will provide the Board with proposed revisions to the Business Development Plan.
3. Chairperson Boardman requested a weekly update on the progress and status of fecal coliform levels in the Bloom samples.
4. Committee member Franco and Chairperson Boardman requested a traditional income and expense and profit-loss statements for Blue Drop.



**District of Columbia
Water and Sewer Authority**

Board of Directors

**Environmental Quality and Operations
Meeting**

Thursday, May 16, 2019

9:30 a.m.

MEETING SUMMARY

Committee Members

Adam Ortiz, Chairperson
Randy Bartlett
Howard Gibbs
Ivan Frishberg

DC Water Staff Present

David Gadis, CEO & General Manager
Biju George, EVP, Ops & Engr
Leonard Benson, Sr. VP & Chief Engineer
Linda Manley, Secretary to the Board
Gregory Hope, Interim EVP, Legal Affairs

I. CALL TO ORDER

Mr. Ortiz called the meeting to order at 9:30 A.M.

II. AWWTP STATUS UPDATES

1. BPAWTP Performance

Mr. Aklile Tesfaye, Vice President, Wastewater Operations, DC Water, and Mr. Chris Peot, Director, Resource Recovery gave an update regarding the performance of the Blue Plains Advanced Wastewater Treatment plant (AWWTP). Mr. Tesfaye noted that plant performance for March 2019 was excellent with all effluent parameters well below the seven day and monthly NPDES permit requirements.

Mr. Peot and Mr. Tesfaye also noted that elevated biosolid coliform levels were detected in April and highlighted the actions taken to mitigate the impacts. More information will be provided in next month's report.

III. CIP QUARTERLY REPORT

Mr. Paul Guttridge, Manager, Program Services, DC Water, provided an update for the second quarter of DC Water's fiscal year (FY) 2019 Capital Improvement Program (CIP).

Mr. Guttridge mentioned that the current projected FY 2019 CIP disbursements are \$394,084,000 through the end of September 2019, which is on track to meet the baseline disbursement projections.

The Committee inquired about the status of the Rock Creek and Potomac Green Infrastructure projects of the Clean Rivers Program and requested a brief, comprehensive update be provided regarding all Green Infrastructure projects. Mr. Charde confirmed such an update will be provided to the Committee.

IV. LEAD SERVICE LINE REPLACEMENT OVERVIEW

Ms. Maureen Schmelling, Director, Water Quality & Technology, DC Water, gave a historical overview on lead service replacement activities by the District Government and DC Water starting from 1977 to present day.

Ms. Schelling's briefing covered:

- The background of lead service line replacement in DC;
- The Lead Pipe Replacement and Disclosure Amendment Act of 2018, DC Law 22-0241, recently passed by the DC City Council;
- DC Water's lead service line programs and costs;
- Anticipated impacts of the new DC law and next steps; and
- DC Water's response to the Office of the Inspector General's recent audit of DC Water's lead and copper monitoring program.

Ms. Schmelling Summarized DC Water's next steps as follows:

- Request a revision of the Board Resolution on voluntary full replacement funding to increase funding from \$2 million to \$3.5 million per year;
- Request an amendment to the 2004 municipal regulations on private side LSR fees to reflect current day costs;
- Pending District funding of the new law, develop a communication plan for repair activities; and
- Pending District funding of the new law, develop a business process and database for the Private LSR Assistance Program.

- V.** The Committee inquired if the requested increase of the voluntary full replacement funding by \$1.5 million is a request to add new funds to the budget. Mr. Biju George, Executive Vice President, Operations and Engineering, DC Water, replied that for FY2019 and FY2020, it would be a new request to the budget; but for FY2021 and beyond, the budget already accounts for the \$3.5 million and the request is merely for the Committee to grant the Authority to spend up to that monetary limit.

VI. ACTION ITEMS

JOINT USE

Mr. Dan Bae, Vice President, Procurement and Compliance and Mr. Len Benson, Senior Vice President and Chief Engineer presented the following joint use Action Items to the Committee. Mr. Bae presented Action Items 1 to 3. And Mr. Benson presented Action Items 4 to 6.

1. Contract No. 18-PR-DFS-38 – Dewatering Sludge Loading Facility (DSL) Building Roof Replacement, ADP Consultants, Inc.,
2. Contract No. 16-PR-DWT-13A – Solids Screening Facility Hauling, Urban Service Systems Corporation
3. Contract No. 18-PR-DIT-59 – Maximo Managed Services, Infosys Public Service, Inc.,
4. DCFA 380 – Filtration & Disinfection Facilities Upgrade, Arcadis District of Columbia, P.C.
5. DCFA 425 – Gravity Thickener Upgrades – Phase II, HDR Engineering, Inc.,
6. Contract No. 130801 – Gravity Thickener Upgrades – Phase II, Ulliman Schutte Construction

The Committee recommended all joint use Action Items to the full Board.

VII. UPDATED WATER AND SEWER SYSTEM RISK PLOTS

Mr. Craig Fricke, Director, Engineering and Technical Services, DC Water gave an overview regarding the implementation of Innovyze's InfoMaster asset management software by DC Water and shared newly updated risk plots produced from InfoMaster for both the water and sewer service areas with the Committee.

II. OTHER BUSINESS/EMERGING ISSUES

None.

III. ADJOURNMENT

Meeting adjourned at 11:45 a.m.

Follow-up Items

1. Manager, Green Infrastructure (DCCR): Provide the Committee with a brief, comprehensive update regarding all Green Infrastructure projects.



DISTRICT OF COLUMBIA

**WATER AND SEWER
AUTHORITY**

Board of Directors

Finance and Budget Committee

Thursday, May 23, 2019

11:08 a.m.

MEETING MINUTES

Committee Members

David Franco, Vice Chairperson
Anthony Giancola

Other Board Member

Tommy Wells, Board Chairman

DC Water Staff

David Gadis, CEO & General Manager
Matthew T. Brown, CFO & Executive Vice President,
Finance and Procurement
Gregory Hope, Interim EVP, Legal Affairs
Lola Oyeyemi, Director, Budget
Tanya DeLeon, Manager, Risk
Paul Guttridge, Manager, Program Services, DETS
Linda Manley, Secretary to the Board

Other Presenters and Guests

Joe Underwood, Albert Risk Management

Call to Order

Vice Chairperson David Franco called the meeting to order at 11:08 a.m.

April 2019 Financial Report

Ms. Lola Oyeyemi, Director, Budget, provided the monthly financial report, noting that DC Water's expenditures and revenues are on track, within budget, and consistent with trends. With approximately 58 percent of the fiscal year completed, total operating revenues are at \$410.8 million, or 61.7 percent of budget, operating expenditures at \$309.8 million or 53.2 percent of budget, and capital disbursements at \$225.0 million, or 51.2 percent of budget.

Town Hall meetings have been scheduled to begin tonight (Ward 1), and the Public Hearing will be on June 12th at the DC Water Headquarters Office.

Ms. Oyeyemi provided the financial report by exception, noting that the major variances for the operating revenues were for the Federal Government due to receipt of the third quarter payment and for other revenue for the \$6 million payment received from the District for the Customer Assistance Program (CAP2) expansion program. She noted that DC Water had received the third quarter payment from its wholesale customers.

Ms. Oyeyemi explained that underspending for operating expenditures is mainly in personnel due to temporary hiring freeze, eliminated vacancies, and lower benefit costs, and contractual services. She stated that the overspending in supplies and chemicals is due to increased chemical usage for the Tunnel Dewatering Pump Station (TDPS) and higher unit prices of major chemicals. She reported that the Engineering department will provide detailed project performance about the capital program and that she anticipates that the overall spending will be within budget by year-end.

Mr. Giancola inquired if that the Rate Stabilization Fund (RSF) is at \$61.5 million, the debt service reserve is mandated, and how much flexibility is granted. In response, Mr. Brown stated that the debt service reserve is mandated by the 1998 Issuance which requires a debt service reserve and that the Authority has decreased over the years as the requirement as the bonds are paid off and the requirement decreases. Mr. Brown confirmed the funds are restricted. He indicated that the CAP2 expansion program would be discussed further at the Retail Rates Committee meeting scheduled for later this month. He plans to bring forth a proposal to carryover unexpended CAP expansion program funds into the next fiscal year. Mr. Giancola requested to have a Rate Stabilization Fund history update to include the growth over the years, and how much has been withdrawn. Board Chairman Tommy Wells inquired if the \$61.5 million balance in the Rate Stabilization Fund includes the Board-authorized \$6 million for the CAP2 program. Mr. Brown replied that the balance was prior to the Board's action to fund the CAP2 program, and noted that in the future these funds will be shown separately in future reports.

In response to Mr. Giancola's inquiry, Mr. Brown explained that the increase in delinquent accounts is a result of the Authority not providing disconnects during the winter season for customers, and temporary suspension of collections during the implementation of the new Customer Information System. He noted that there has been a decline in the last several months and that the Board had authorized write-offs of smaller account balances. Next, Mr. Brown confirmed, in response to Mr. Giancola's question, the Automated Meter Reading (AMR) replacement project is not complete, and that a status update would be provided to the Committee. Mr. David Gadis, CEO, further explained that there were contractor issues resulting from meters that could not be found or replaced; therefore, the Authority has made plans for the contractors to complete the work. Mr. Giancola asked if it is the contractors responsibility to find the meters or if it is the Authority's job to tell them where the meters are. Mr. Gadis replied that it was a combination of both.

Mr. Wells asked if the \$500 thousand for Danbury Station Condos project is moving forward, and the funds sufficient for this project. Mr. Brown explained that the terms of the MOU have been negotiated, the project is ready to begin as soon as the funds are received from the District, and that the funds should be sufficient.

Capital Improvement Program Quarterly Report

Mr. Paul Guttridge, Manager, Program Services, provided an update on the Capital Improvement Program (CIP) disbursements with \$394 million projected by the end of the fiscal year, which is on track to meet the baseline disbursement projection of \$392 million. He explained that mid-year underspending within some service areas is due to longer than anticipated administrative

closeouts and related retention releases for some major projects including the Headquarters building, Enhanced Clarification Facilities, Tunnel Dewatering Pump Station & Creekbed Sewer Rehabilitation. In addition, schedule delays for upgrades & pump rebuilds; and invoicing delays for compliance contractor issues related to the Clean Rivers project have also contributed to the midyear variance. Overall, he anticipates that most of the project closeouts will occur before the end of the fiscal year. With invoice payments possibly impacting the next year's capital spending Mr. Brown explained that the capital authorization for capital projects does not expire and carries over to the next fiscal year without impacting the rates.

Next, Mr. Guttridge provided an overview of the significant contract actions anticipated in the upcoming months and the Key Performance Indicators (KPIs) for projects completed within 90 days for the capital program.

FY 2019 Year-End Projections

Mr. Brown reviewed the annual budget process, highlighting that the Board will be adopting a two-year rate proposal in the upcoming budget cycle. He stated that the overall operating revenues are projected to be above budget, while both the operating expenditure and capital disbursements are projected to be below their respective budgets.

He reported that the current projected revenue of \$686.9 million is favorable, compared to the budget of \$665.7 million mainly in the residential, commercial and multi-family categories due to conservative budgeting and the receipt of the District's payment for the CAP2 expansion payments. He stated that the estimated operating revenues includes the transfer of \$6 million from Rate Stabilization Fund for DC Water's portion of the CAP2 expansion program.

The overall operating expenditure projection of \$571.6 million is favorable, compared to the approved budget of \$582.8 million. Major areas of budget variances are consistent with the year-to-date financial performance with overspending in chemicals & supplies and water purchases; offset by projected underspending in personnel services, contractual services and electricity. The \$5 million underspending for debt service is mainly due to no new issuance in FY 2019, which is anticipated to occur later in the calendar year.

Total capital disbursement projections of \$429.5 million, compared to the approved budget of \$439.1 million, reflect higher project disbursements in capital projects offset lower projected spending for capital equipment and Washington Aqueduct's capital projects.

Next, Mr. Brown reviewed the projected net cash surplus, which is a net of the projected higher receipts of \$21 million and underspending of expenses of 10 million; reduced by projected county refunds of \$4.5 million and the proposal to extend the CAP2 program to the next fiscal year by carrying over \$10.2 million. This would leave a forecasted net surplus of approximately \$16.95 million. He explained that no recommendations will be made today regarding the projected cash surplus. The options will be discussed next month, and could include additional pay-go financing to reduce borrowing, a contribution to the RSF, and maintaining \$5-6 million cash on hand for capital equipment projects and system delays. Committee members asked about customer participation in the CAP2, CAP3 and non-profits assistance programs, including the related customer outreach strategies. Mr. Brown responded that they will be working with the marketing

team to reach more customers. He also added that details of the program and recommendation to carry over into the upcoming fiscal year will be reviewed during this month's Retail Rates Committee meeting. He noted that in the District there is legislation that creates a non-lapsing fund, which is a part of the budget support act, and this would allow unexpended District funds for this program to be carried forward. Therefore, to extend these programs, new money that was appropriated by the District would be added to the unexpended portion of the District's \$7 million allocated for this purpose.

Insurance Renewal Update

Ms. Tanya DeLeon, Manager, Risk, and Mr. Joe Underwood, Independent Insurance Advisor from Albert Risk Management, presented the insurance renewal terms available to DC Water covering the period of July 1, 2019 to July 1, 2020. Ms. DeLeon provided background information on the renewal process, current insurance market updates and impacts of catastrophes in recent years and growth in property values due to new facilities placed into operations. She presented management's request for the Authority's insurance renewal coverage at \$3.3 million, which is consistent with the budget.

Mr. Franco inquired if the \$3.3 million, which represents an approximate 10% increase over the prior year, is consistent with quotes received. Ms. DeLeon responded in the affirmative and stated a large portion of the increase is associated with the increase in estimated property values related to new DC Water facilities (see slide 4). An update on the final figures will be provided at the next meeting. Mr. Giancola requested clarification about the reasons for the increase in property insurance cost because he was under the impression many facilities shifted from 100-year to 500-year flood zones, and were the brokers involved the only ones available. Ms. DeLeon explained that in 2017 that DC Water conducted an RFP to qualify the three insurance brokers, and that currently two are active. Mr. Wells also explained that while DC Water has made significant strides in mitigating flood risks to protect against 500-year levels, the zoning classification remains 100-year. Mr. Wells also explained that the District's resiliency plan addresses risk mitigation for climate change, sea and water level risings, and these issues continue to generate increased risk exposures. He also advised management to update the Authority's climate remediation plan in preparation for the upcoming debt issuance. Mr. Underwood added that DC Water's brokers have been apprised of the recent flood protection improvements. In response to Mr. Franco's question about how many quotes were received, Mr. Underwood advised that DC Water participates in a single group placement for property insurance along with many other public sector entities and that competitive quotes are secured at the group level.

Action Items

The Committee agreed to move the Annual Property & Casualty Insurance Renewal to the full Board for approval.

Executive Session

The meeting moved into Executive Session at 11:57 a.m.

Adjournment

Hearing no further business Vice Chairperson David Franco adjourned the meeting at 12:21 p.m.

Follow-up Items

1. Provide the Rate Stabilization Fund Contributions and Utilization history (**Tony Giancola**)
2. Provide an update on the AMR Project (**Tony Giancola**)



**DISTRICT OF COLUMBIA
WATER AND SEWER AUTHORITY**

Board of Directors

DC Retail Water and Sewer Rates Committee

Tuesday, May 28, 2019

9:30 a.m.

MEETING MINUTES

Committee Members in Attendance

Rachna Bhatt, Chairperson
Krystal Brumfield
Howard Gibbs
Ellen Boardman
Ivan Frishberg
Emile Thompson
Jed Ross
Anthony Giancola

DC Water Staff

Matthew Brown, CFO/EVP Finance & Procurement
Meena Gowda, Deputy General Counsel
Linda Manley, Secretary to the Board

Via Telephone
David Gadis, CEO/President

Call to Order

Chairperson Bhatt convened the meeting at 9:30 a.m.

Extend CAP2 Program to FY 2020 (Attachment A)

Chairperson, Bhatt asked Mr. Brown, CFO/EVP Finance & Procurement to summarize and reflect on the first town hall meeting that was held on Thursday, May 23, 2019 at the Columbia Heights Community Center. Mr. Brown, CFO/EVP briefed the Committee on the first town hall meeting. He stated that the Ward 1 Councilmember Nadeau opened the meeting. He stated that both he and Mr. Gadis provided a presentation at the meeting that included information about DC Water's strategic plan, the organization's future and accomplishments, proposed FY 2020 CRIAC cost shift to the sewer volumetric rate, and a discussion of DC Water's challenges and opportunities. He mentioned that following the presentation, there were questions and answers between consumers and management. Mr. Giancola requested that the number of participants be recorded, as well as the questions and answers for each town hall meeting. Mr. Frishberg inquired about the Stakeholder Alliance (SA) and their engagement and attendance at the town hall meetings. Mr. Brown CFO/EVP replied that the members of the Stakeholders Alliance are encouraged to attend the town hall meetings, and the SA member that attended was recognized.

Mr. Brown, CFO/EVP updated the Committee on the two agenda items: 1) Proposal to Extend the Customer Assistance Program CAP2 to FY 2020 and action item; and 2) 2019 Potomac Interceptor Cost of Service Study Update. He stated that after the update of the proposal to extend the CAP2 program to FY 2020 update, there was an action item to seek Committee's recommendation to the full Board for approval to amend regulations for an extension of CAP2 to FY 2020. Mr. Brown CFO/EVP mentioned that the various DC Water Customer Assistance Programs (CAP) are an expansion of the initial CAP. He noted that these programs are CAP2, CAP3 and the CRIAC Nonprofit Relief Program. He stated that CAP and CAP2 are funded by DC Water, and the other programs are funded by the District. He mentioned that the initial CAP program has eligibility requirements for customers with incomes up to 60 percent of the State Median Income (SMI). He stated that the CAP2 programs has eligibility requirements of up to 80% of Area Median Income (AMI) for low-income residents that do not qualify for CAP. He noted that CAP3 has eligibility requirements for low-income residents with household incomes of more than 80% and up to 100% of AMI. Mr. Brown CFO/EVP noted that the Clean Rivers Impervious Area Charge (CRIAC) Nonprofit Relief Program provides CRIAC credits to nonprofits.

Mr. Brown, CFO/EVP stated that the DC Water CAP2 program has a budget of \$6.0 million funded by a Board-directed transfer from the Rate Stabilization Fund (RSF). He stated that the CAP2 program was enacted by regulations and is set to end on September 30, 2019. He noted that the CAP2 participation to date has been very low with a total of 78 households that have applied and been accepted, providing benefits of \$16,649 as of April 30, 2019. He stated that a total of 12 households have applied and been accepted into CAP3 program, amounting to \$1,452 in benefits as of April 30, 2019. He noted that the CRIAC Nonprofit program has provided 113 nonprofits with CRIAC relief, amounting to \$0.7 million in benefits as of April 30, 2019.

Mr. Brown CFO/EVP stated that based upon the CAP2 participation to date, the actual amount of benefits will be significantly less than forecasted. He stated that the CAP2 projected unexpended balance is \$5.46 million less than the \$6.0 million that was authorized. Mr. Giancola inquired about the \$0.5 million allocated for administrative expenses and how it was spent, as well as if the entire amount was used or only a proportion. Mr. Brown CFO/EVP replied that through his recollection, he believed the YTD amount spent on administrative expenses are approximately \$0.3 million. Mr. Brown CFO/EVP noted that he will follow up with the actual numbers. Mr. Brown CFO/EVP stated that the amount was used to make changes to the customer service system, implement the program and for several other tasks. Ms. Boardman inquired if the remaining allocated funds for CAP2 and the other programs would be rolled over to the next fiscal year, or will additional funds be allocated for the programs in the next fiscal year. Mr. Brown CFO/EVP replied that in the June 25th Finance and Budget Committee meeting he would make a recommendation to roll forward the unexpended funds from both DC Water and the District into FY 2020. Mr. Brown CFO/EVP noted that the unexpended DC Water funds would go back to the Rate Stabilization Fund (RSF) if the recommendation is not approved. Mr. Giancola inquired about the difference between the 78 actual customers provided benefits in the CAP2 program and the initial projected number of over 14,000 households and whether it is impacted by outreach. Mr. Brown CFO/EVP replied that DC Water has been participating in outreach through customer service calls and ads. He mentioned that he is not certain of why the number is low, but believes the process of accessing these funds may play a role in the numbers. Chairperson Bhatt stated that the proposal is for the additional funds to be extended to the next fiscal year for CAP2 and the District will dictate whether they roll forward the unexpended funds for their funded programs. Mr. Brown CFO/EVP added that the District created a non-lapsing fund for their money allocated. He stated that the District added funds in the budget that begins October 1, 2019 which will be in a non-lapsing fund that will be carried forward. He stated that the District will ask to keep the CAP3 and CRIAC Nonprofit Relief Programs running.

Mr. Frishberg commented that he believes the slow progress of the program is normal and that the Department of Energy and Environment (DOEE) should be tasked with the outreach and data analytics portion of implementing the program, since they regulate the approval process. Mr. Frishberg stated that he believes that the delivery providers/networks that work with, or communicates, with the population more often should convey the outreach for these programs to see a better outcome, or an outcome that

is more consistent with the projections. Chairperson Bhatt asked if there is any way that DC Water could incorporate this into the outreach process. Mr. Lisle VP of Marketing and Communications (OMAC) responded that OMAC has reached out to the Office on Aging and the Department on Disability Services for their contribution to the outreach process. Mr. Lisle stated that OMAC will work to figure out ways to incorporate more entities and agencies into the outreach process.

Mr. Brown, CFO/EVP informed the Committee of the various forms of outreach for the CAP programs. He stated that the outreach began in December/January including a press release, meetings with DOEE, social media, bill inserts, bill messages and robocalls to 11,000 customers with past due balances. He stated that the outreach continued from February up to the present with mainly the same methods of outreach.

Mr. Brown CFO/EVP noted that there will be about \$5.46 million unexpended funds for CAP2 at the end of FY 2019. He stated that there is an action item in today's meeting to amend the regulations to extend DC Water's CAP2 program to FY 2020.

Mr. Brown CFO/EVP mentioned that DC Water plans to award a contract to a firm to conduct a review of the rate structure and customer assistance programs. Mr. Giancola inquired about the length of the analysis/study. Mr. Brown CFO/EVP replied that the study's time length would be negotiated, and that he estimates a few months. He states that there are many variables that will be included into the study such as fixed charges, variable charges, volumetric charges etc. He noted that the study will be conducted to compare DC Water's practices to other comparable utilities to determine the best practices for the entity in the future.

Action Items (Attachment B)

- **Action Item 1 - Proposal to Amend Regulations to Extend CAP2 Program to FY 2020**

Mr. Brown CFO/EVP briefed the Committee on the recommendation to the full Board for approval to amend regulations to extend CAP2 program to FY 2020. Chairperson Bhatt announced the recommendation and received approval from the Committee to move the recommendation to the full Board for approval. The recommendation was moved to the full Board.

2019 Potomac Interceptor Cost of Service Study Update (Attachment C)

The Cost of Service study for small Potomac Interceptor(PI) water and sewer rates, was presented by Mr. John Mastracchio of Raffelis Consulting, whose firm conducted the independent study. He gave a background of the study which included objectives and methodology, true-up evaluation results and Wastewater rate projections. He made recommendations of the four small PI users (Dulles Airport, National Park Service, Navy and Town of Vienna and stated that the objectives of the study were to determine the cost of providing wastewater service to the four users prepare a true-up evaluation for FY 2016- FY 2019, using actual costs and wastewater flows and an estimate for FY 2019 of the true-up amount. He calculated projected rates per MG for cost recovery purposes in FY 2020 - FY 2022 using estimated costs and wastewater flows. Mr. Mastracchio stated that rates for the small PI users are stable for 3 years, which equates to the amount of time that is allotted between each independent study. He stated that both eligible operating and capital costs are captured in his calculations and operating expenses are allocated based on wastewater flows and capital costs based on reserve capacity share, and that rates/charges are based upon a proportionate allocation of the two types of costs. He stated further that capital costs are annualized over 30 years, per the agreement. The two costs are then combined to calculate a rate per MG of wastewater flow. In response to Mr. Howard Gibbs, Mr. Mastracchio stated that there are six eligible operating costs, and the eligibility percentages are provided by DC Water. He provided a summary of the increasing eligible operating costs by category over a four-year period, FY 2016-2019. He stated that there are five eligible capital costs that can be allocated to the small PI users. He summarized and provided a graphical depiction of the increasing total eligible capital

costs and the total eligible amortized capital costs, allocated over a four-year period per category. He provided a graphical depiction of costs based upon the small PI users who use 1% proportion of the Potomac Interceptor. Mr. Mastracchio further explained the true-up evaluation results in response to Ms. Boardman enquiries of how the true-up was calculated. He explained further that the actual cost of service for the past three fiscal years is an estimation for the current fiscal year and actuals paid in the past two years (FY17 - FY18). He further stated that all the small PI users underpaid, except the Town of Vienna. He stated that Vienna had a higher flow than what was projected, therefore, their capital contribution was higher than what their cost responsibility was, resulting in an overpayment. He stated that Dulles underpaid due to billing issues and their actual capital costs were higher than anticipated in the study performed three years prior.

Mr. Mastracchio stated that a true-up evaluation was also projected for FY 2020-2022. In response to Mr. Frishberg's question of how flows are projected, He stated that the Department of Engineering Services at DC Water provides the information which is based on historical trends. The study projected the cost of service, based on flows and rates were calculated by dividing the total projected revenue for the next three years by total projected flows over the next three years. Mr. Franco inquired about the true-up payment options offered and the billing frequency, to which Mr. Matt Brown, CFO/EVP stated that two options are provided and the PI customers are billed quarterly. Mr. Franco inquired about the fluctuations in the true-up to which Mr. Mastracchio responded that it depends on the customer's actual contributions and usage in comparison to the prior projections. Mr. Franco inquired about the reconciliation of the true-up underpayments. Mr. Mastracchio answered that the reconciliation is factored into the projections.

DC Retail Water and Sewer Rates Committee Workplan (Attachment D)

Mr. Brown CFO/EVP updated the Committee on the workplan by exception. He noted that in the upcoming June 25th Retail Rates Committee meeting that there will be action items before the Committee for final recommendations to the full Board:

- Approve FY 2020 Rates
- Approve Groundwater Sewer Rate
- Approve Amendment for District of Columbia CRIAC Incentive Program from 4% to 20%

Agenda for June 25, 2019 Committee Meeting (Attachment E)

There was no discussion on the June 25, 2019 Committee meeting agenda.

Other Business

There was no discussion on other business.

Adjournment

Chairperson Bhatt adjourned the meeting at 10:35 a.m.

FOLLOW-UP ITEMS – DC Retail Water and Sewer Rates Committee Meeting (May 28, 2019)

There were no follow-up items.



D.C. WATER AND SEWER AUTHORITY

BOARD OF DIRECTORS

SPECIAL MEETING OF THE AUDIT COMMITTEE TUESDAY, MAY 28, 2019

MEETING MINUTES

Board Members Present

Floyd Holt, Chair, Prince George's County (By Phone)
Anthony Giancola, District of Columbia
Jed Ross, District of Columbia
Howard Gibbs, District of Columbia
Ivan Frishberg, District of Columbia

D.C. Water Staff Present

David Gadis, CEO, General Manager (By Phone)
Meena Gowda, Deputy General Counsel
Wayne Griffith, Executive Vice President for Performance
Linda Manley, Secretary to the Board

Call to Order (Item 1)

Chair Holt called the meeting to order at 11:17 a.m.

Internal Audit Contract (Item 2)

He stated that there was one action item on the meeting agenda and that Wayne Griffith, Executive Vice President for Performance, would present Contract No. 19-PR-OCEO-13 for internal audit services. Mr. Griffin reported that the contract was for internal audit services. At the last Audit Committee meeting they presented a detailed overview of the solicitation process. They had completed the process and had a recommendation for the Committee's action. Teresa Scott, Manager, provided an overview of the action. She stated that the Committee has an award factsheet for internal audit services and that the selected firm is RSM US LLP (RSM). They received eight proposals in response to the Request for Proposal (RFP) and down-selected three firms based on the initial scoring. Those firms were RSM, SCMH, and GKA. GKA is a certified LSBE company. Ms. Scott stated that from a technical perspective GKA's RFP was marginal but what brought them up to the interview eligible level was their low price

and them being a certified firm. The other two firms were very close in the scoring. They then had oral presentations and based on those presentations, the technical committee selected RSM as the internal auditor for the next five years.

Board Member Anthony Giancola asked a question about the subcontractors for the incumbent auditor, RSM. He stated that he assumed there was the required 10 percent participation in the current contract. He asked if they met that and how it was measured. Ms. Scott replied that as far as the current contract, the compliance team conducted a review to ensure that firms did meet that requirement. For the contract up for approval, the subcontractors will be doing auditing work. Mr. Giancola wanted to know what RSM did on the previous contract. Ms. Scott said that she will get the information to the Board as soon as possible. Mr. Giancola replied that it would not affect his recommendation, but he was curious how they did and how it was reviewed.

Board member Jed Ross wanted to know what TSC Consulting, the LSBE, does for D.C. Water. Ms. Scott replied that they will be doing auditing work. He wanted to know if there was a significant price difference between the second highest scored firm and the winner. Ms. Scott reported that there was not a significant difference. She stated that RSM was the best qualified based on the interviews and the oral presentations.

Board Member Howard Gibbs wanted confirmation that at the next meeting the Board will vote on only two years of the five-year contract. Ms. Scott agreed that it was a two-year base period and then three additional one-year options for a total of five. Mr. Gibbs asked if the dollar amount for those had already been set. Ms. Scott stated that they had.

Mr. Griffith pointed out that on the pricing of the contract the Procurement team did a fabulous job in driving a best and final offer that reduced the price from what was previously proposed.

Mr. Ross stated that it says, "base years to contract value \$1.46 million." Is this per year? Ms. Scott replied that no, it was combined. The base is \$730,000.

Mr. Holt asked if there were additional question and there were none. He asked if there needed to be a vote. Ms. Manley stated that there needed to be a recommendation to move it to the full Board for approval. A recommendation was made by a Committee member and there was concurrence from the Committee members.

Adjournment (Item 3)

There being no need for an Executive Session, Mr. Holt adjourned the meeting at 11:30 a.m.



CEO'S REPORT

David L. Gadis

June 2019



Table of Contents

Message from the CEO/GM.....I

Organizational Performance Dashboardi

Financial Highlights1

 Financial Performance Summary 1

 Revenues and Operating Expenses 2

 Capital Spending..... 2

 Operating Cash and Receivables 3

 Investment Earnings..... 3

 Investment Yield..... 4

Customer Care and Operations Highlights.....5

 Customer Service 5

 Fire Hydrants 6

 Permit Processing..... 7

Low Income Assistance Program.....8

 SPLASH Program..... 8

 Customer Assistance Program(CAP) 8

Operational Highlights9

 Drinking Water Quality..... 9

 Waste Water Treatment 10

 Water Distribution Operations..... 11

 Water Balance 11

 Sewer System Operations 12

 Combined Sewer System..... 12

 Human Resources 13

 Electricity Usage Summary..... 14

 Electricity Usage by Service Area 14

 Safety 15

 Vendor Payments..... 15

Interpretation of Charts A

Color Key

Red	Did not meet Target
Yellow	Missed Target but within acceptable range
Green	Met/Exceeded Target
Gray	Budget/Target Value
<transparent>	Green/Yellow/Red based on comparison

June 2019 CEO/GM REPORT

Administration

DC Water has been invited to participate in the Water Utility Climate Alliance (WUCA) Water Utility Climate Alliance Network, and EVP Maureen Holman will represent the Authority in this effort. To support WUCA's Mission of collaboratively advancing water utility climate change adaptation and WUCA's Vision of climate-resilient water utilities and thriving communities, WUCA is convening the Water Utility Climate Alliance Network to:

- Foster direct engagement with other water utilities and organizations that are interested in water management and climate change issues.
- Create an active community of climate adaptation knowledge transfer and information sharing for water utilities that is supported by WUCA.
- Establish a network of collaborators to partner with WUCA on future activities, work products, and events.

General Accomplishments

- DC Water secured approval from CFA for the design of our new Sewer Facility at Ames Place, NE, DC.
- DC Water secured approval from both SHPO and CFA for the Main Pump Station floodproofing work, which is being primarily funded from a FEMA grant and will protect the building up to the 500-year flood level.

Completed projects

- AECOM conducted interview and visited assets for Security Assessment. Draft report pending by the end of May.

Active projects

- Draft Guidelines are being developed for the following:
 - Foreign Nationals & Blue Plains Tours
 - Heighten Threat Protocols
- Updating SOPs (flow chart)
 - Security Breach
 - Gate Runner
 - Disgruntled Customer
- Fencing Upgrades Authority Wide – Pending award of contract (Procurement) - June
- Fire protection
 - System upgrades – 7 buildings
 - Annual fire alarm testing is underway at all facilities
 - Annual emergency light and extinguisher inspections is underway all facilities

Upcoming news

- Security staff will attend OSHA First Responder Training – May/June
- Active Shooter Roundtable with Horsley Witten Group – June

June 2019 CEO/GM REPORT



Fleet

General Accomplishments

- Fleet attended the Chevin Fleet Solutions (Wave) conference in New Orleans, LA
- Fleet received the New Vector From Maryland Industrial
- Fleet is in training and transition of moving the Parts contract in-house, we are currently using Temp employees to manage, count and label
- Fleet is working with Sewer Services to clean up the O Street facility for better parking and ingress/egress
- Fleet is in expectancy to receive two (New Crew Cab trucks) for Sewer Services
- Fleet met with procurement and Parts Authority, as the Parts Contract is now signed and the Parts portion of the maintenance contract is now effectively in-house.

Awards

- Fleet is recognized by Government Fleet Expo as one of the notable Fleets in North America
- Fleet is recognized by NAFA as one of the 100 Best in North America

Upcoming news

- WAVE mobile app forms portal implementation has been pushed to June 2019
- WAVE Parts In-house app, bar code scan and testing and ongoing
- Fleet has been requested to speak at Tropical Shipping in West Palm Beach, Florida from June 10th – June 13th – (expenses paid for by Tropical shipping)

Facilities

Completed projects

- Worked with OEM to prepare for and go through the bi-annual FEMS inspection of occupied facilities.

Events

- Successfully supported 2 OMAC outreach events at multiple locations
- Successfully supported the Administrative Assistants' day event

General accomplishments

- Team members attended training for:
 - Line of Sight program
 - Managerial Courage
 - Progressive Discipline
 - Fall Protection
- Started using limit grouping of electric powered landscaping equipment

June 2019 CEO/GM REPORT

Upcoming news

- Main Pumping Station office space upgrades have begun in support of Dept. of Pumping Operations
- Coordination with Safety Department for mold remediation training for all Facilities shops personnel
- RFQ for Non-Process Facilities Master Plan
- Supporting DETS and DMS in crane upgrades project at the Multimedia Building

Emergency Management

General accomplishments

- Emergency Management Accreditation approved. On May 9th, after making the final presentation to the Emergency Management Accreditation Program (EMAP) Review Committee, the EMAP Commission approved DC Water's Emergency Management Accreditation. Currently, plans are being developed for an announcement campaign with EMAP.
- EPA is renewing funding for Emergency Management Training and Exercises. Met with EPA Region III, Drinking Water Security Coordinator, to discuss and request training and exercise funding which was granted for DC Water's Emergency Management Training Program. Funding efforts are underway and should be fully established in several weeks.
- 2019 Emergency Management Training and Exercise Plan and Calendar completed. Materials were distributed and several training sessions were offered which included a building block
- "Planning Process & Incident Action Plan Development Training" and incident command system classes- ICS 200, NIMS 700, and NIMS 800.
- Worked with Facilities and Security in the administration and oversight of fire inspections with FEMS at occupied facilities. These inspections and preparation efforts help to identify potential hazards and prevention strategies to address concerns related to fire and life safety. Inspections occurred from April 29- May 3 and final report is being developed.
- Released the Community Engagement feature for employees to register for emergency alerts. This is an additional alert notification measure for employees who wish to keep their personal devices anonymous.
- District Incident Management Team (IMT) 2020 Cohort, with twelve DC Water participants, conducted an IMT training exercise on the planning P and incident action plan development at DC HSEMA on May 3rd.

Upcoming events

- Fire Evacuation Drills will be conducted from May 22 – June 22

June 2019 CEO/GM REPORT

Safety

General accomplishments

- The Industrial Scientific technician was on-site for six days to install the new docking stations (calibration units) for the gas meters.
- Safety communications
 - Stand Down communicated DC Water wide successfully
 - Production Requests submitted:
 - Safety Tents Requested
- Bulletin Revamp Request
- Safety Newsletter Concept
- Training
 - National Safety Council Training on First Aid, CPR & AED Course was held on April 16, 2019 at the CMF with a total of 28 employees in attendance.
 - Worked with the Department of Water Services to schedule six Excavation Competent Person training courses and First Aid/CPR courses this Spring/Summer. One excavation and one First Aid/CPR course was held in April.

Active projects

- Origami implementation updates:
 - Risk fields are 75% complete
 - A new safety workflow has been drafted
 - Safety forms are being assessed and updated by the new Director which includes the following:
 - Incident Form and workflow being reassessed
 - Investigation Report Form redesigned and meetings incorporated
 - Observations being built
 - Audits being built
 - The Safety Team meet with the Internal Auditor on April 8, 2019 to discuss their findings and to develop the timeline for completion.
 - Sorin Schwartz, Operations Manager, has been attending the Leading Blue training course (1.5 days) held at HQO.
 - Tracked completion of housekeeping inspections.
 - Reviewed and commented on accident reports, crew and facility inspections, and vehicle accident reports completed by staff.
 - Conducted two New Employee Orientation sessions

June 2019 CEO/GM REPORT

Customer Service

General Accomplishments

- Added the third-party notification form to the website.
- Issued the FY2021 Federal bill for \$100 million, which included a cost to recover the 2012-2018 bills for Soldiers home totaling \$10 million.
- Performed better than target on accounts receivables for mass market including receipt of a tax payment on sold account of \$106,783.90. These payments were from accounts referred to Tax Sale in Year 2018. As of April 30, 2019, we collected overall 82% of the amount we referred to Tax Sale for years 2004 – 2018.
- New e-bill program is working well and we have increased enrollment by roughly 4400 accounts this is up 20% from a month before of the new functionality. In addition, there have been no complaints about the changes.
- Corrected all the customer accounts, called all customers, and placed a clarifying message for the 27 accounts who had strong family payments intercepted that have been now corrected.
- CAP2 file sent from DOEE contained the incorrect account information, resulting in the wrong person being enrolled, we identified the issue, reversed the bills, and established additional QA procedures with DOEE

Active Projects

The billing group noticed an issue with the implausible max and min amounts, which appears to have occurred sometime in late January or early February (see analysis attached). It appears that the logic is still flagging implausible appropriately per config TE121, however, the max and mins are incorrect, which we use to determine whether to mass release. The issue has increased bill complaints as well as negative press.

- What could have caused this change?
- What are our options? Fix during code freeze or wait? If wait, need a tactical plan on how to appropriately mass release
- Can we pull table of the implausible that were mass released since late January to get ahead of the complaints?

Awards

- Received the best CIS implementation award at CS Week

June 2019 CEO/GM REPORT

Finance and Procurement

General Accomplishments

Procurement has recently awarded 3 new contracts, totaling over \$4.3 million over 3 years, all to Local Certified business enterprises.

- The new contract with total fixed contract value of \$1,108,332 for Blue Plains Dewatering Sludge Loading Facility (DSLFL) Building Roof replacement project is awarded to a Local Certified business firm. This contract value is \$891,677 below the original project budget of \$2,000,000. This is a result of collaborative efforts among Procurement, Facilities, and BP by adjusting scope and requirements as well as competitive procurement process.
- Maintenance Material solicitation resulted in the annual cost saving of \$415,831 (15.7% price reduction) (or \$1.25M saving over a 3-year contract period) through a competitive procurement process. Additional saving of 1-2% is estimated with year-end rebates. The Local Certified business participation is also significantly increased from \$7,289 (0.3%) per year to \$374,219 (16.9%) per year.
- Procurement has awarded a new 3-year contract with total value of \$1.96M for Hauling & Disposal of Catch Basin & Construction Debris service to a Local Certified business through a competitive procurement process which also resulted in \$83K annual savings.

Performance

The Office of Performance completed and published DC Water's inaugural Enterprise Performance Plan for FY 2019. Although our stretch goal was to have 100% compliance for satisfactory submissions to the Plan and we received a submission from all eight (8) Clusters, only 26 (68.4%) of our 38 Departments and Business Units presented content. Of the submissions, 11 (28.9% of the 38 Departments/Business Units) were satisfactorily completed with the appropriate KPIs and those submissions are included in the Plan. Kudos to the 11 frontrunners in this groundbreaking effort as their submissions to the Enterprise Plan met or exceeded the mark.

Cluster	FY 2019 Performance Planning Frontrunners
<i>Strategy & Transformation</i>	Korey Gray
<i>Operations & Engineering</i>	Kenrick St. Louis, Jason Hughes and Algynon Collymore
<i>Administration</i>	Timothy Fitzgerald
<i>Finance & Procurement</i>	Ivan Boykin and John Madrid
<i>People & Talent</i>	Keith Lindsey and George Spears
<i>Performance</i>	Yvette Judge and Francis Cooper

June 2019 CEO/GM REPORT

General Accomplishments







Matt Ries, Director, Sustainability and Watershed Management, was invited by the Great Lakes Water Authority (GLWA) to participate in an international Blue Ribbon Panel in Detroit, May 13-15. GLWA is a newly-formed utility, over twice the size of DC Water, and is developing a new Strategic Asset Management Plan. Panelists from the UK, New Zealand, Minneapolis, and Arizona shared industry best practices. Dr. Ries provided insights on utility sustainability, resiliency, and asset management.

ORGANIZATIONAL PERFORMANCE DASHBOARD (April 2019)

Financial Highlights

Net Operating Cash		Operating Revenues		Operating Expenses		Capital Disbursements	
Actual	97,500	Actual	411	Actual	310	Actual	225
Target	47,614	Target	388	Target	340	Target	300
	(\$ thou)		(\$ mil)		(\$ mil)		(\$ mil)
Operating Cash Balance		Delinquent Account Receivables		Core Investments Yield		Short Term Investment Yield	
Actual	168	Actual	2	Actual	2.47	Actual	2.02
Target	126	Target	3	Target	2.32	Target	2.37
	(\$ mil)		(%)		(%)		(%)





Customer Care and Operations Highlights

Call Center Performance		Command Center Performance		First Call Resolution		Emergency Response Time	
	Apr 79		Apr 88		Apr 73		Apr 100
85	(% of calls rec)	85	(% of calls rec)	75	(% of calls rec)	90	(% of calls rec)
Fire Hydrants out of Service		Fire Hydrant Insps. and Maint.		Fire Hydrants Replaced		Permit Processing within SLA	
	Apr 46		1938		Apr 89		94
	(count)		(count)	250	(YTD count)		(%)

Low Income Assistance Program

Splash Contributions		Customer Assistance Program	
Actual	50	Previous	74
Target	47	Current	123
	(\$ tho)		(\$ tho)

Operational Highlights

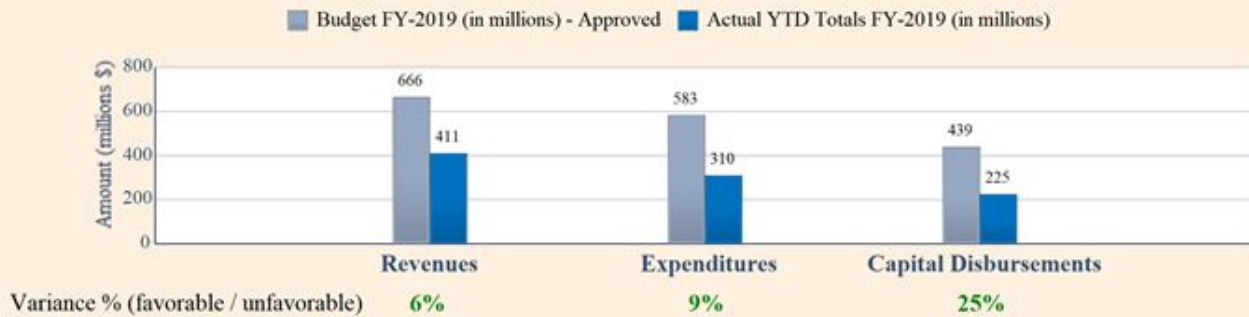
Lead Concentration (ppb)	Total Coliform Rule (%)	Biosolids Production	Total Nitrogen (lbs/yr mil)
		428	
		(wet tons)	
Plant Influent Flow (gal mil)	Excess Flow	Water Main Leaks	Water Valve Leaks
	0	14	2
	(gal mil)	(count)	(count)
Non-Revenue Water	Sewer Main Backups	Sewer Lateral Backups	Dry Weather CSO
Sold	5	102	0
Purchased	(count)	(count)	(events)
7.4			
10.8			
(CCF mil)			
Recruitment Activity	Electricity Usage	Employee Lost Time Accidents	Vendor Payments
Filled	20	5	Actual
Open	(MWh)	(count)	Target
4			96
32			97
(count)			(%)

FINANCIAL HIGHLIGHTS

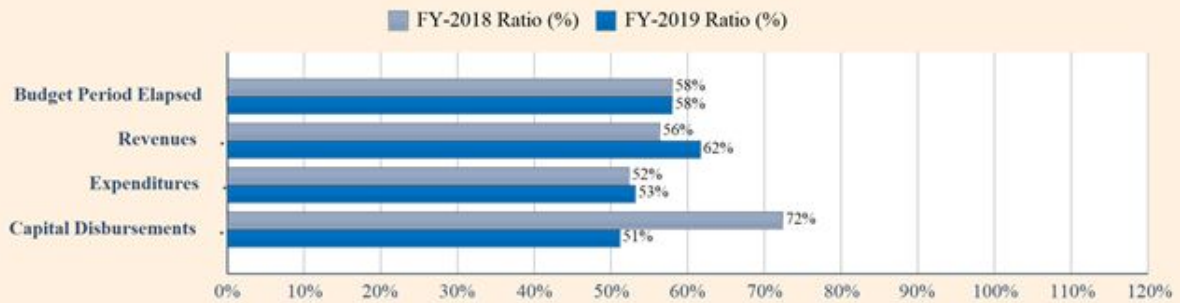
FINANCIAL PERFORMANCE SUMMARY

REVENUE, EXPENDITURE, CAPITAL DISBURSEMENT

Cumulative Revenue, Expenditure & Capital Disbursements compared to Budget

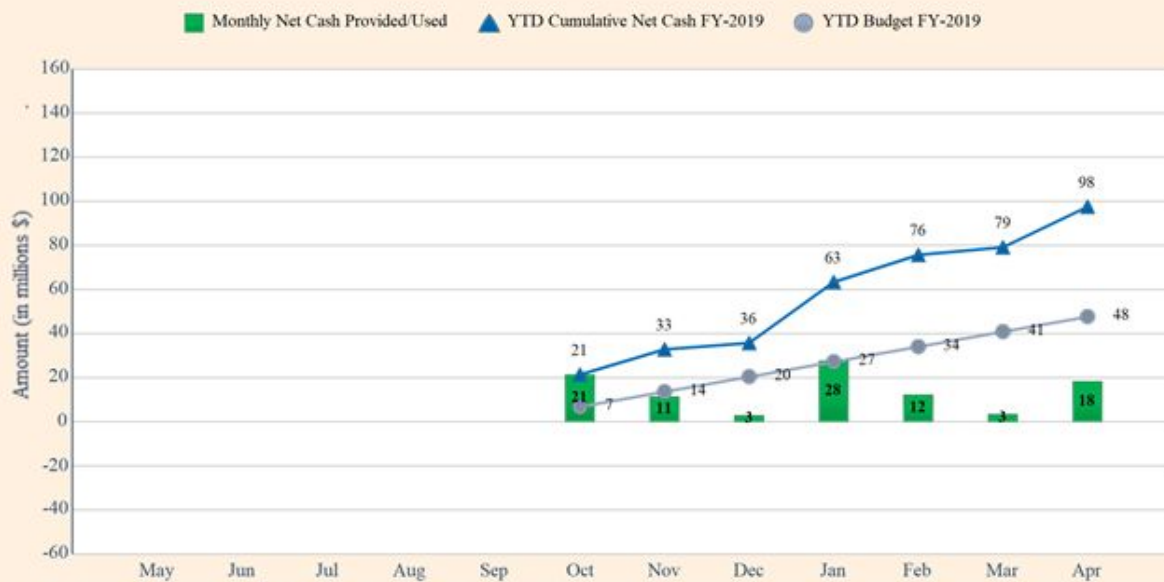


YEAR TO DATE ANALYSIS



NET OPERATING CASH

Monthly and YTD Net Operating Cash Provided / Used compared to Budget



Net cash to date for April was above budget by \$49.8 Million

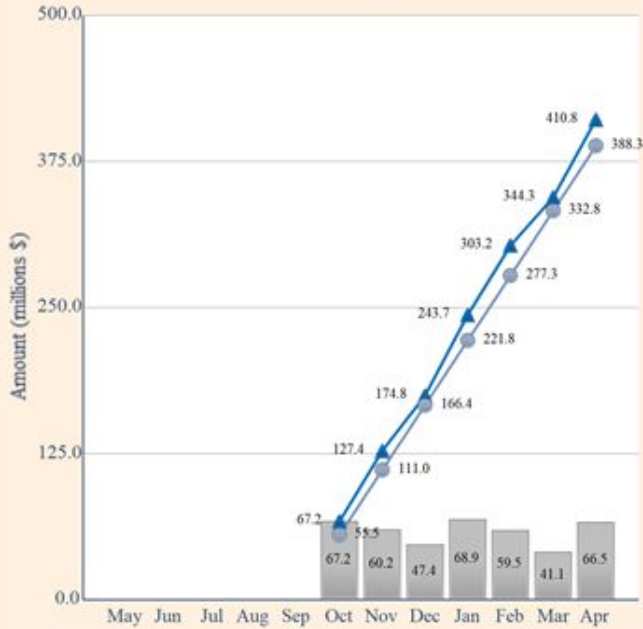
FINANCIAL HIGHLIGHTS

REVENUES AND OPERATING EXPENSES

OPERATING REVENUES

Monthly & Cumulative Revenue compared to YTD Budget

- Actual Monthly Revenue
- ▲ YTD Cumulative Revenue FY-2019
- YTD Cumulative Budget FY-2019

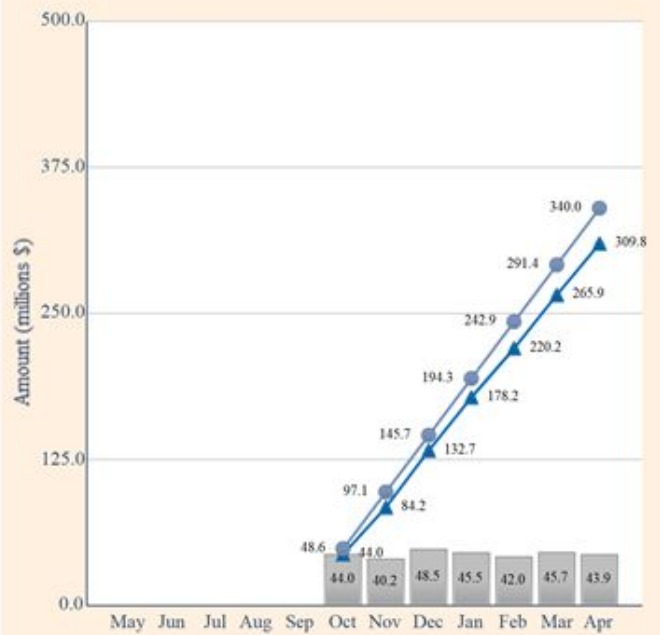


Revenue to date for April was above budget by \$222.5 Million

OPERATING EXPENSES

Monthly & Cumulative Expenditure compared to YTD Budget

- Actual Monthly Expenses
- ▲ YTD Cumulative Expenditure FY-2019
- YTD Cumulative Budget FY-2019



Expenditure to date for April was below budget by \$30.2 Million

CAPITAL SPENDING

CAPITAL DISBURSEMENTS

Monthly & Cumulative Disbursements compared to YTD Budget

- Actual Monthly Disbursements
- ▲ YTD Cumulative Disbursements FY-2019
- YTD Cumulative Budget FY-2019



Disbursements to date for April was below budget by \$74.9 Million. YTD spending reflects comparison to the approved budget.

FINANCIAL HIGHLIGHTS

OPERATING CASH AND RECEIVABLES

OPERATING CASH BALANCE

Average Daily Cash Balance compared to Operating Reserve Target

- █ Actual Cash Balance FY-2019
- ⋯ Operating Reserve Target - (125.5 Million)

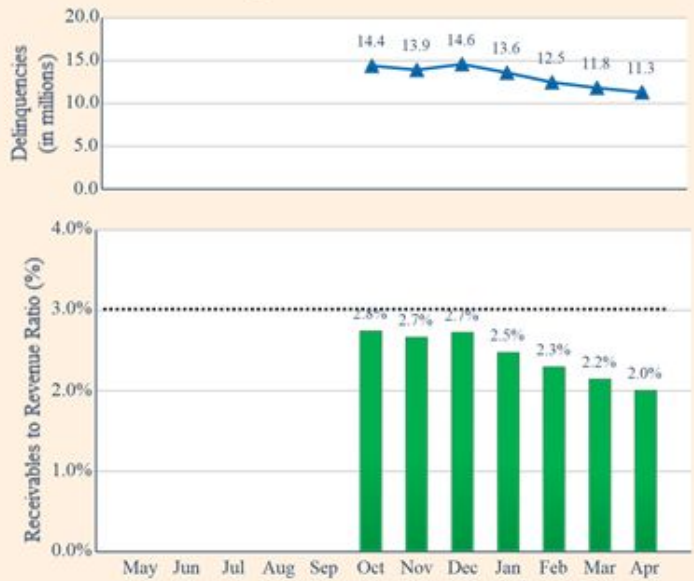


Cash Balance for April was above target by \$42.2 million

DELINQUENT ACCOUNT RECEIVABLES

Delinquency & Receivables to Revenue Ratio compared to Target

- █ Receivables to Revenue Ratio
- ▲ Delinquencies (in millions)
- ⋯ Target: Receivables to Revenue Ratio (3%)



April Receivables to Revenue Ratio is 2.01, Delinquency is 11.30 million.

INVESTMENT EARNINGS

INVESTMENT CASH EARNINGS

Monthly & Cumulative Earnings compared to YTD Budget

- █ Monthly Earnings
- ▲ YTD Cumulative Earnings FY-2019
- YTD Cumulative Earnings Budget FY-2018



Earnings to date for April were above Projected Budget by \$388,410.

FINANCIAL HIGHLIGHTS

INVESTMENT YIELD

CORE INVESTMENTS YIELD

Monthly Yield compared to Merrill Lynch Benchmark



Yield for April was more than the treasury index by 0.15%

SHORT TERM INVESTMENT YIELD

Short Term Yield compared to Merrill Lynch Benchmark



Short Term Yield for April was less than the Merrill Lynch yield by 0.35%

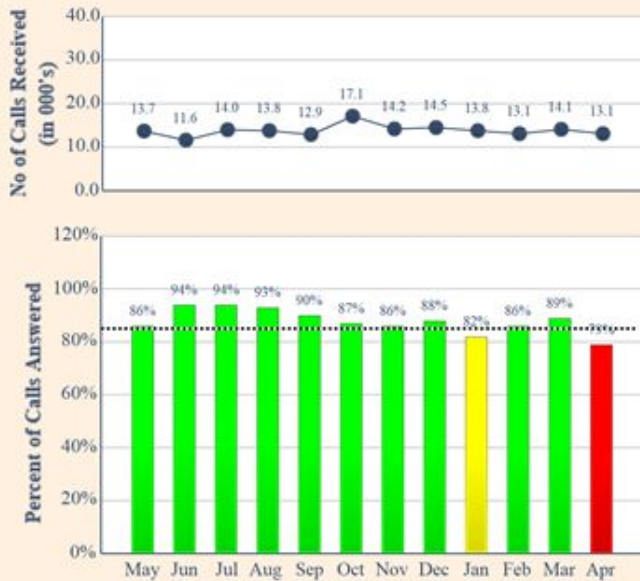
CUSTOMER CARE AND OPERATIONS HIGHLIGHTS

CUSTOMER SERVICE

CALL CENTER PERFORMANCE

Calls Answered within 40 Seconds compared to Target

- Call Center: Calls answered (%)
- No of Calls - Call Center (in 000's)
- Target - Call Center (85%)

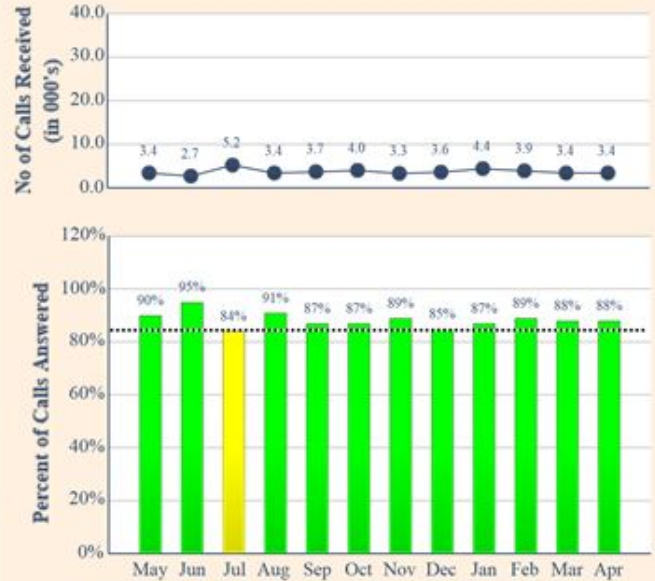


Performance for April was below target by 6% Service level missed due to attendance, vacancies and department projects that reduced employee availability to answer calls. Additionally, incoming call flow is heightened during lunches and breaks.

COMMAND CENTER PERFORMANCE

Calls Answered within 40 Seconds compared to Target

- Command Center: Calls answered (%)
- No of Calls - Command Center (in 000's)
- Target - Command Center (85%)



Performance for April was above target by 3%.

FIRST CALL RESOLUTION (FCR)

Calls resolved on first contact compared to Target

- FCR (%)
- FCR Target (75%)

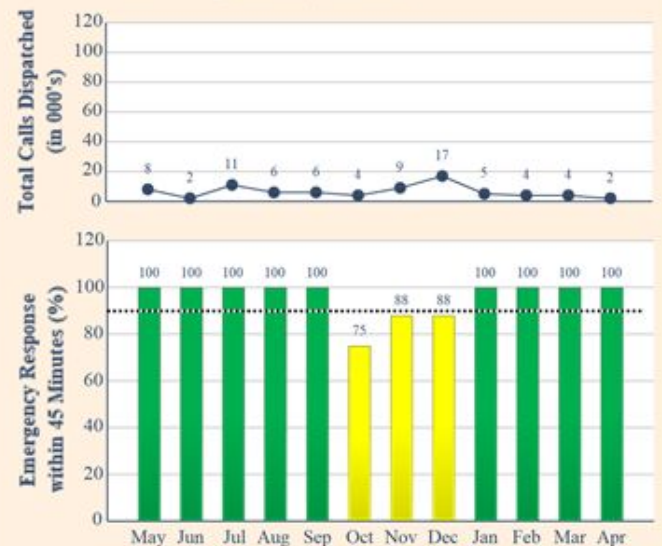


Performance for April was below target by 2%. System data is incorrect. IT is working to fix the issue. Used FY average for this month's percentage.

EMERGENCY RESPONSE TIME

Calls responded to within 45 Minutes compared to Target

- Response (%) within Target
- Total Emergency Calls Dispatched
- Response Target (90%)



Performance for April was above target by 10%

CUSTOMER CARE AND OPERATIONS HIGHLIGHTS

FIRE HYDRANTS

Fire Hydrants Out of Service (OOS)

Total Hydrants Out of Service against Target

- Out of Service Fire Hydrants (Defective OOS Hydrants)
- In-Operational - OOS Due to Inaccessibility or Temporary Work
- Out of Service Hydrants Target (96)



Fire Hydrant Inspections and Maintenance

Total Hydrant Inspection and Maintenance Work Orders Completed per Month

- Hydrant Inspections and Maintenance



Total Hydrant Replacements Per Month

Annual Replacement Target (250)

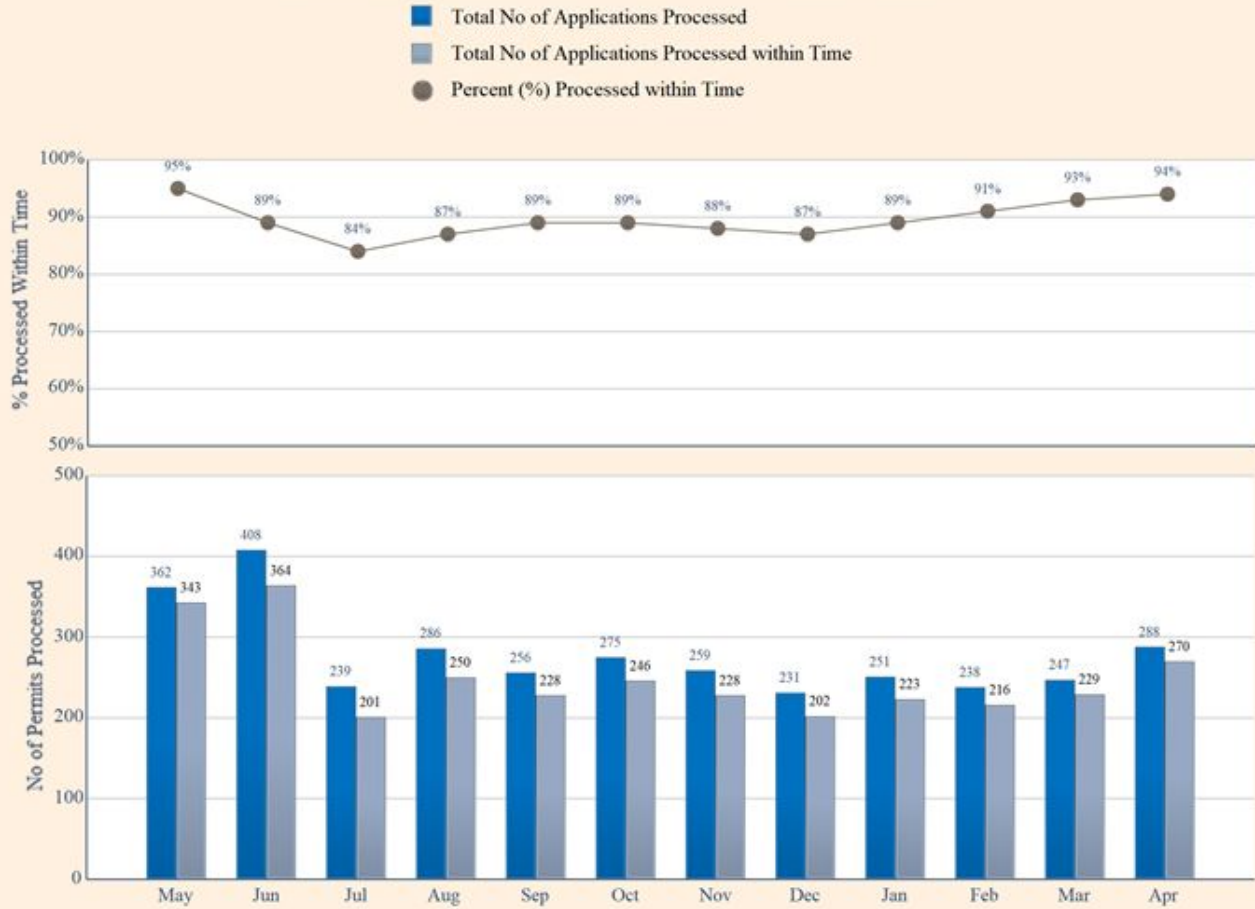
- Hydrants Replaced



CUSTOMER CARE AND OPERATIONS HIGHLIGHTS

PERMIT PROCESSING

PERCENT OF APPLICATIONS PROCESSED WITHIN SLA



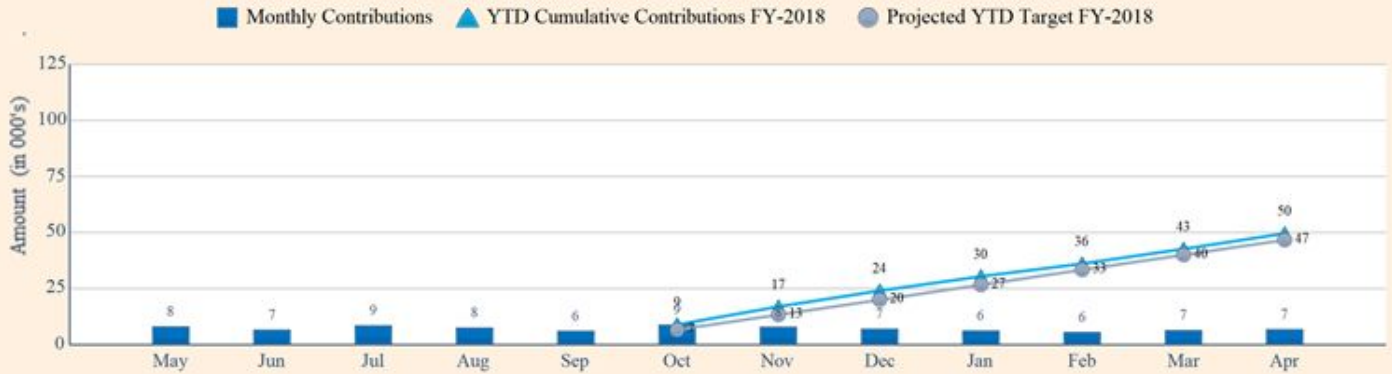
Permits processed in April were 9% above the SLA target of 85%

LOW INCOME ASSISTANCE PROGRAM

SPLASH PROGRAM

SPLASH CONTRIBUTIONS

Monthly and Cumulative Contributions compared to YTD Target

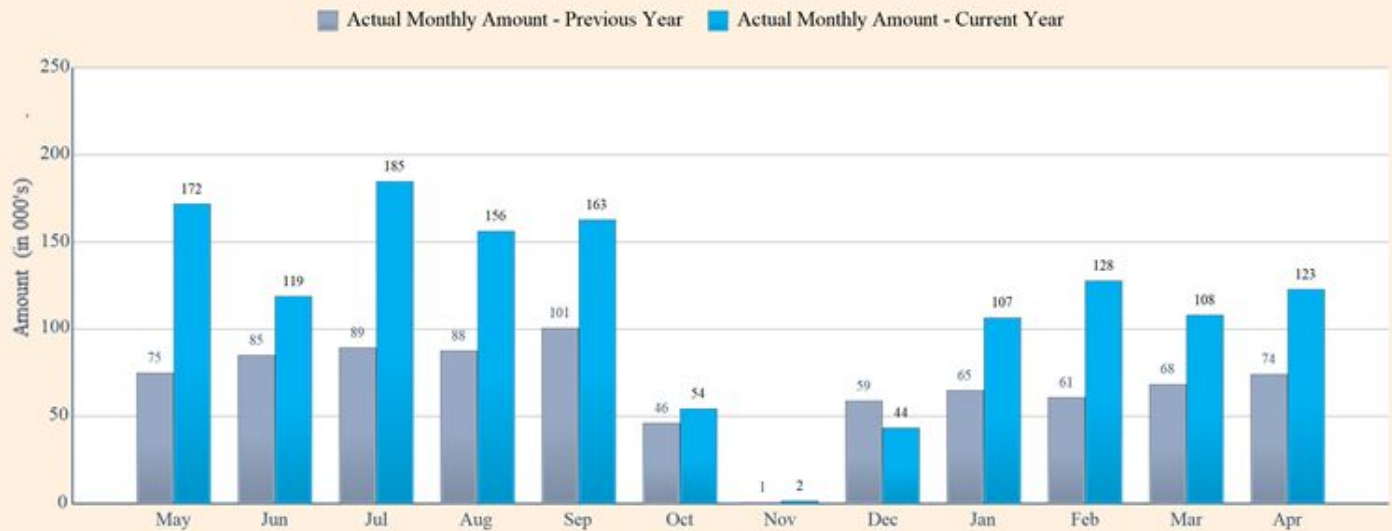


Total SPLASH Contributions to date for April was below target by \$2930.

CUSTOMER ASSISTANCE PROGRAM (CAP)

CUSTOMER ASSISTANCE PROVIDED

Monthly Assistance Provided compared to corresponding Previous Year Periods



OPERATIONAL HIGHLIGHTS

DRINKING WATER QUALITY

LEAD AND COPPER RULE (LCR) COMPLIANCE

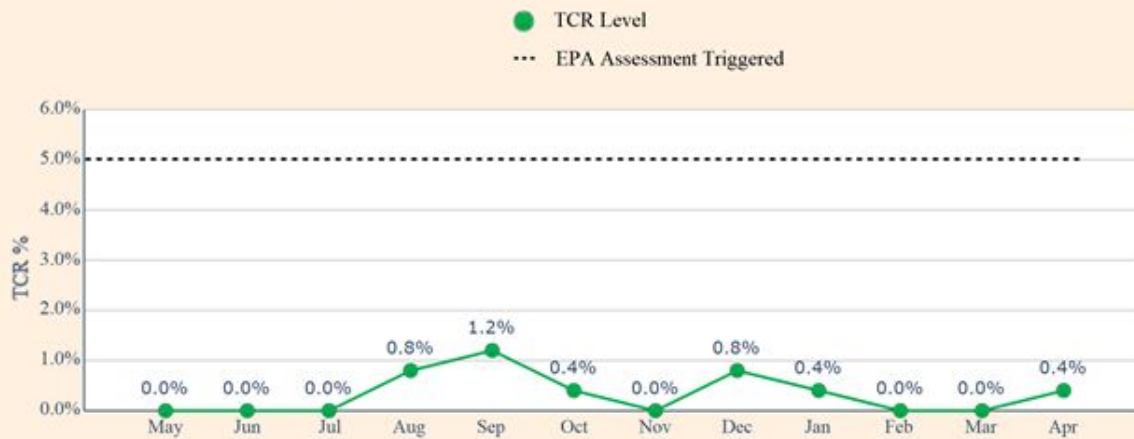
Semi-Annual LCR Monitoring Results



Jan-April 2019 results to date.

TOTAL COLIFORM RULE (TCR) COMPLIANCE

Total Coliform Positives compared to EPA Maximum Contaminant Level (MCL)



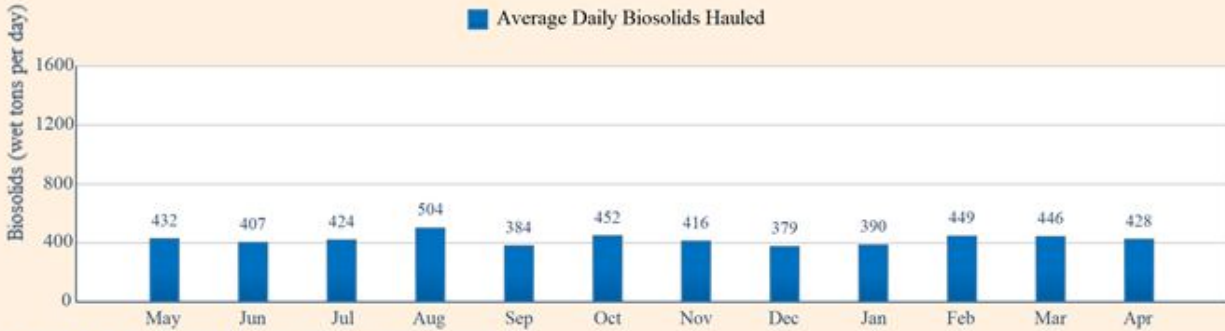
Coliform Positive was recorded at 0.4% in April.

OPERATIONAL HIGHLIGHTS

WASTEWATER TREATMENT

BIOSOLIDS PRODUCTION

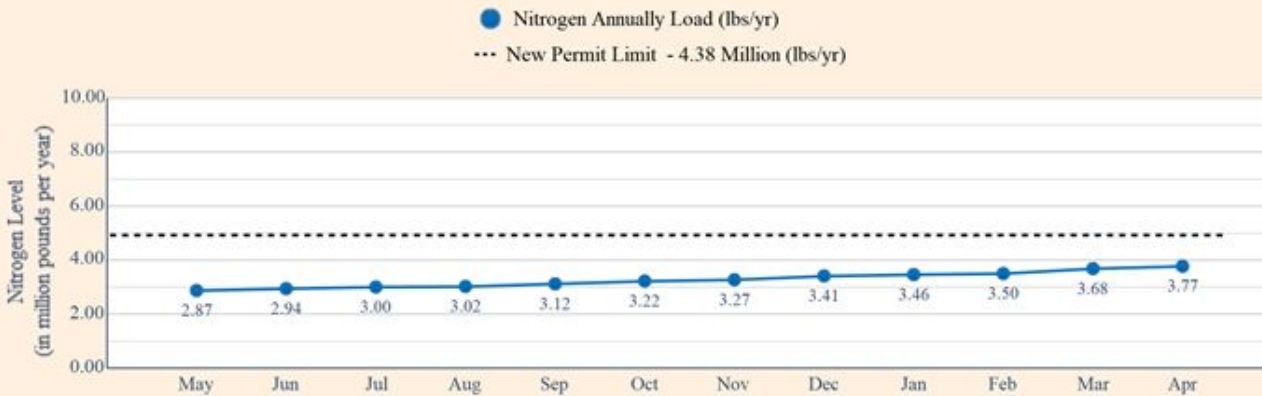
Average Daily Biosolids Production



Biosolids Daily Production for April were 428 wet tons per day

TOTAL NITROGEN

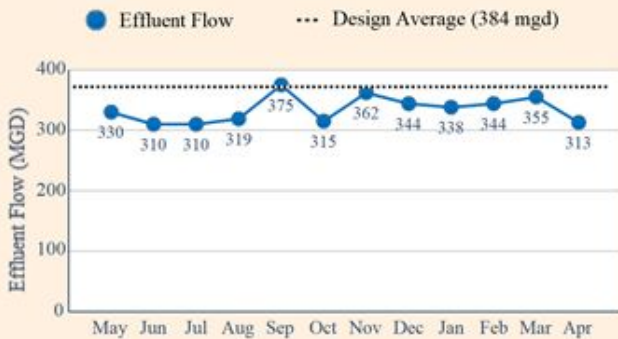
Total Nitrogen Compared to New Permit Levels



Nitrogen level for April were below permit by 0.61 million lbs/yr

OUTFALL 002 - PLANT EFFLUENT FLOW

Effluent Flow compared to Plant Design Average Limit



In April Effluent flow was below design by 71 MGD

OUTFALL 001 - DISCHARGE FLOW

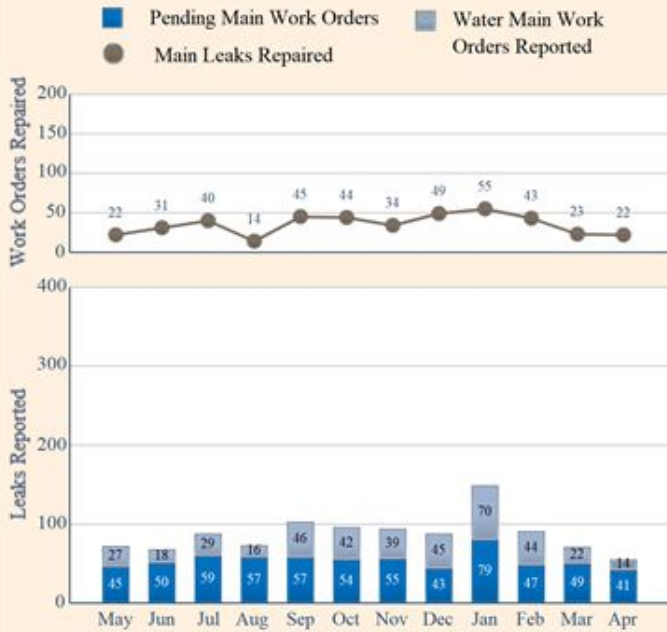


Excess flow events were recorded at 0 MG in April

OPERATIONAL HIGHLIGHTS

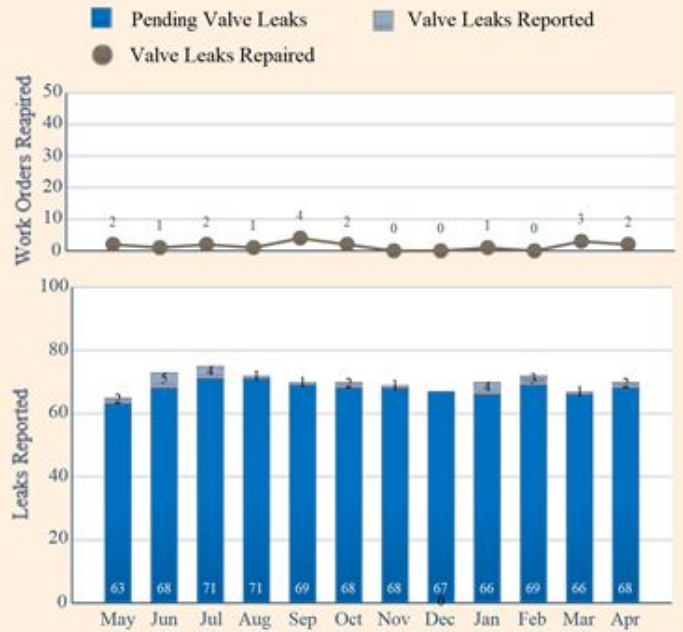
WATER DISTRIBUTION OPERATIONS

WATER MAIN LEAKS



There were 14 Water Main Work Orders reported in April.

WATER VALVE LEAKS

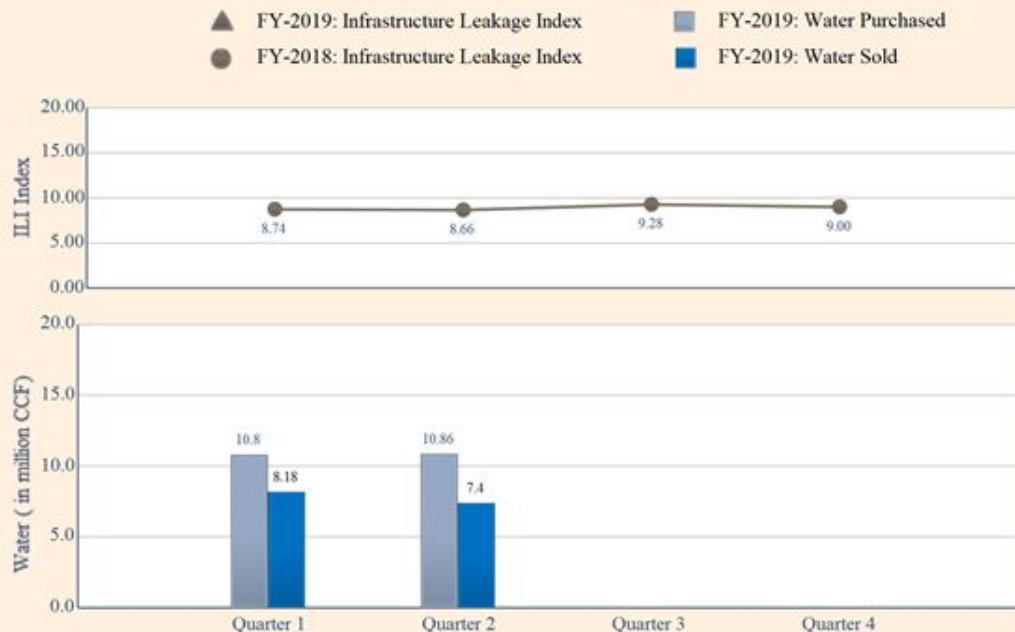


2 leaks were resolved in April.

WATER BALANCE

NON-REVENUE WATER

Volume of Water Purchased and Sold per Quarter



Water Balance results pending for 3rd quarter of 2019.

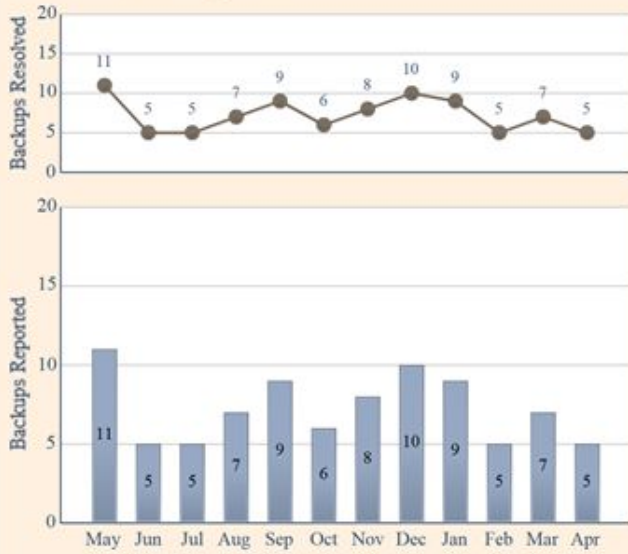
OPERATIONAL HIGHLIGHTS

SEWER SYSTEM OPERATIONS

SEWER MAIN BACKUPS

Sewer Mains Backed Up and Relieved per Month

- Pending Main Backups
- Main Backups Reported
- Main Backups Resolved

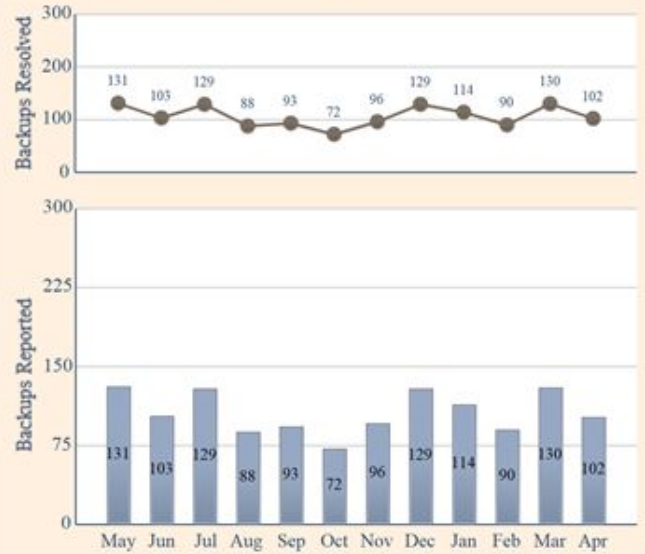


No pending main backups reported

SEWER LATERAL BACKUPS

Sewer Laterals Backed Up and Relieved per Month

- Pending Lateral Backups
- Lateral Backups Reported
- Lateral Backups Resolved



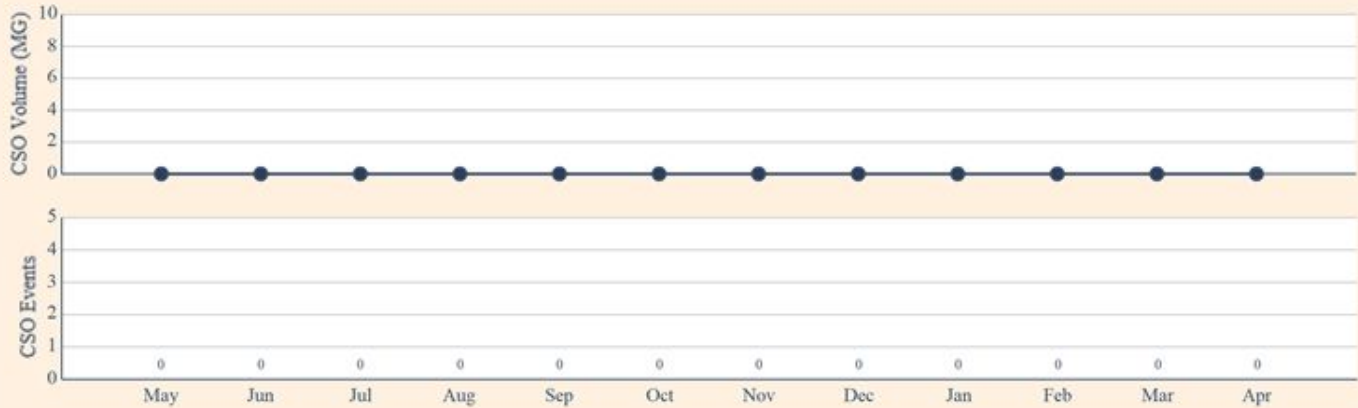
No pending lateral backups reported

COMBINED SEWER SYSTEM

DRY WEATHER CSO EVENTS

Combined Sewer Overflow Volume and No of Events per Month

- Overflow Volume (MG)
- Number of CSO Events

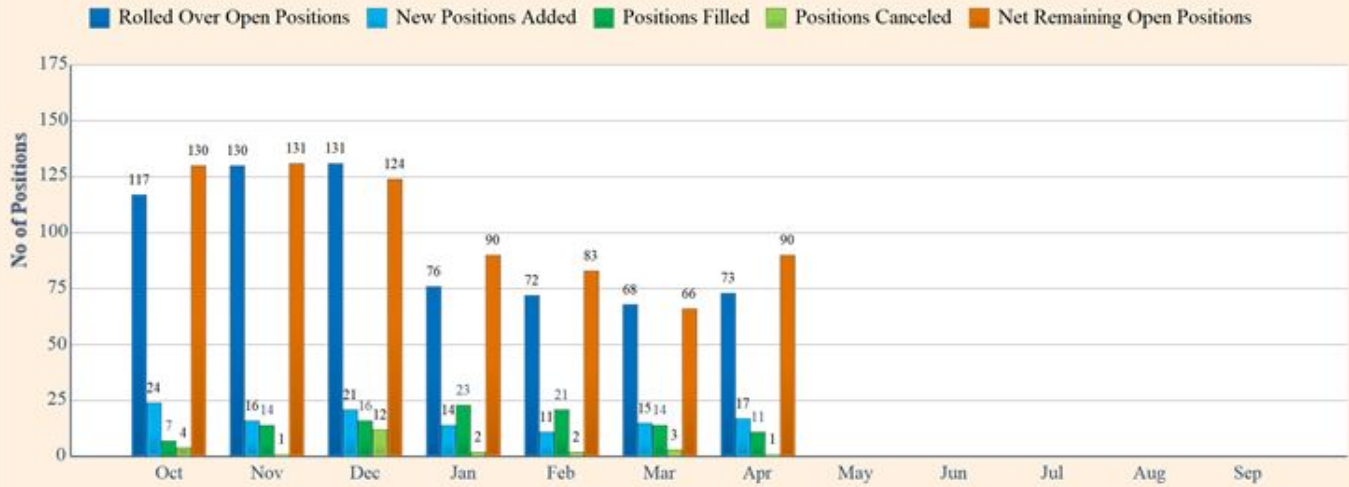


OPERATIONAL HIGHLIGHTS

HUMAN RESOURCES

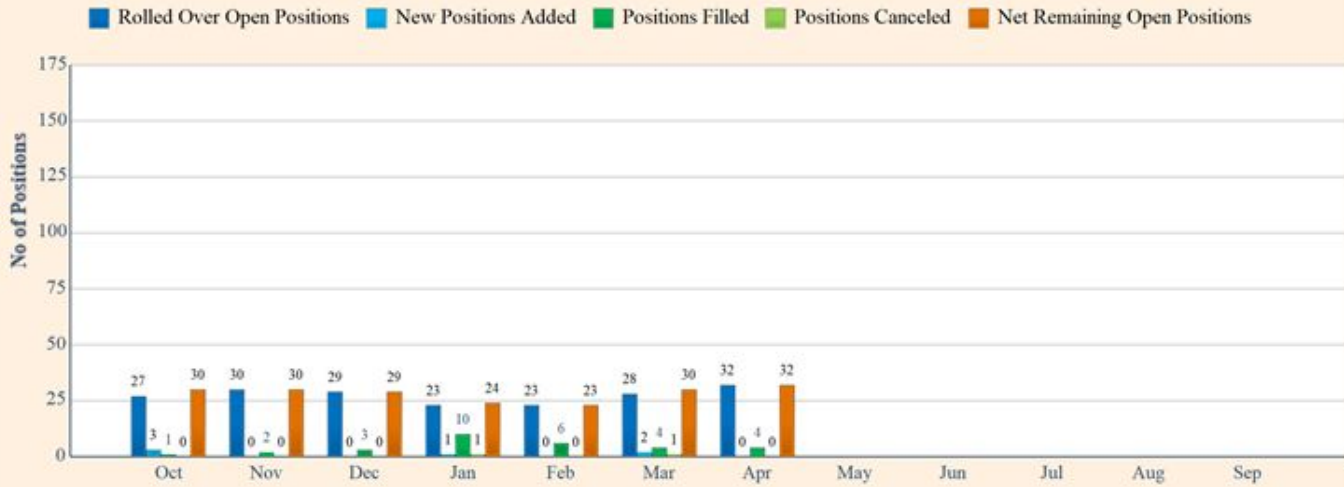
RECRUITMENT ACTIVITY

PREVIOUS FISCAL YEAR

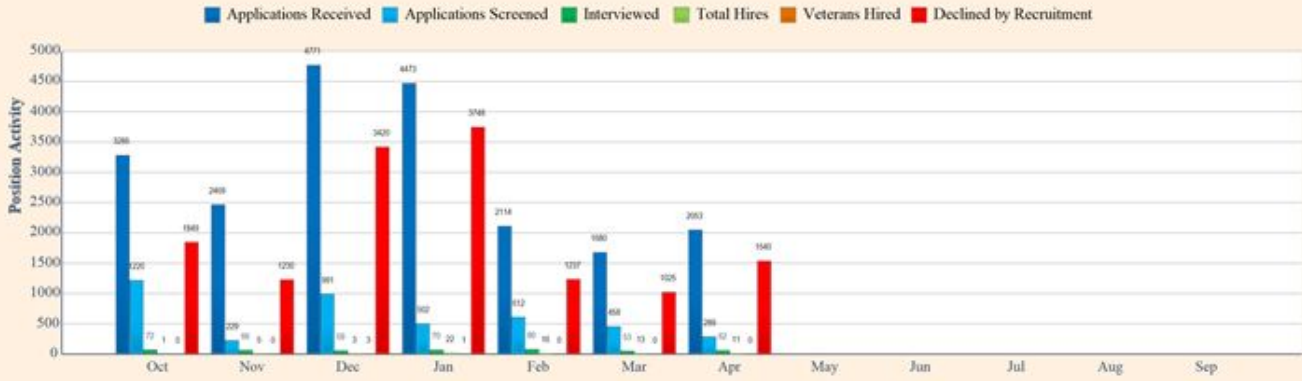


RECRUITMENT ACTIVITY

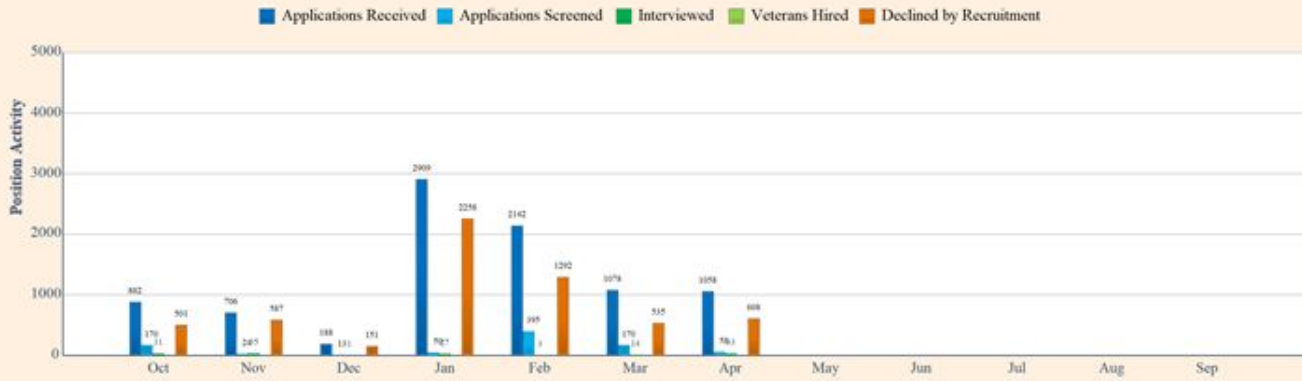
CURRENT FISCAL YEAR



RECRUITMENT PERFORMANCE METRIC
PREVIOUS FISCAL YEAR



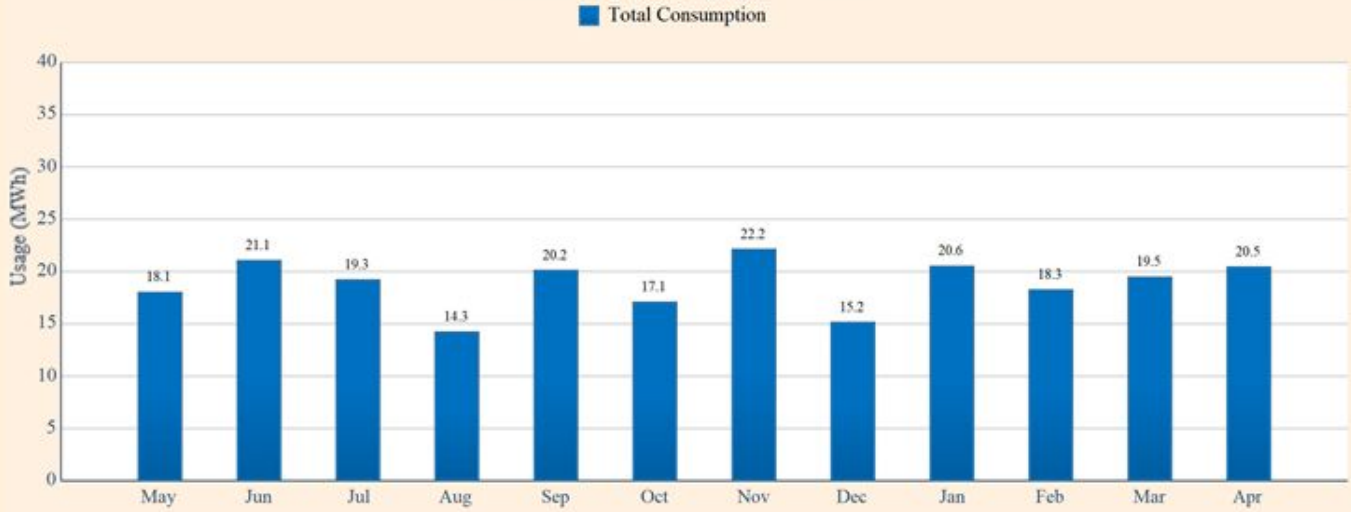
RECRUITMENT PERFORMANCE METRIC
CURRENT FISCAL YEAR



OPERATIONAL HIGHLIGHTS

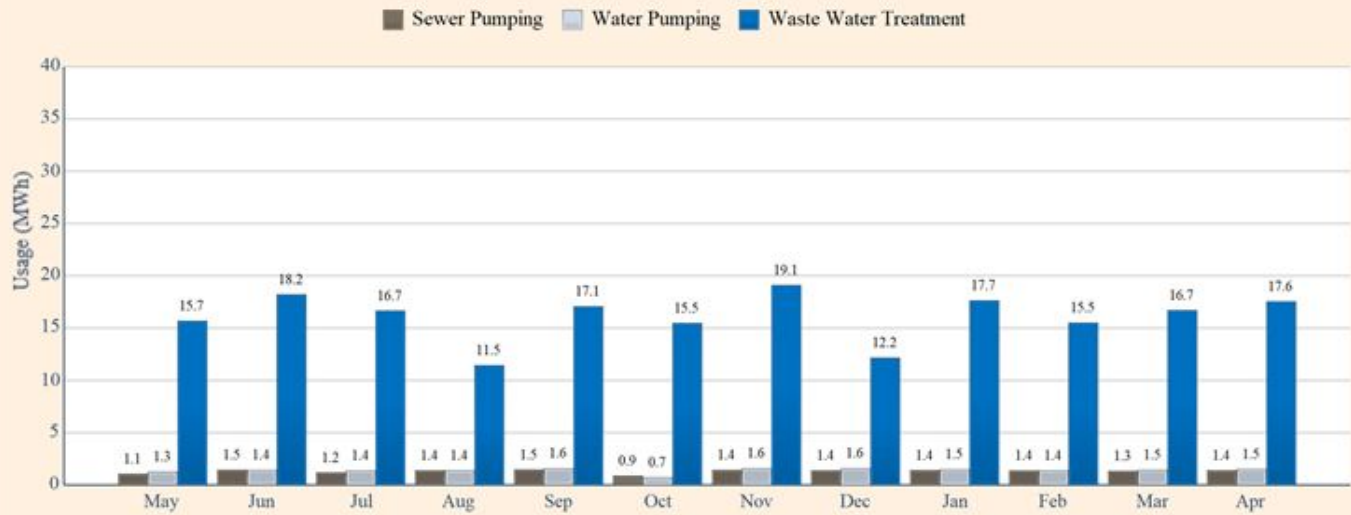
ENERGY CONSUMPTION

ELECTRICITY USAGE SUMMARY



Electricity Consumption in April was 20,490 KWh

ELECTRICITY USAGE BY SERVICE AREA

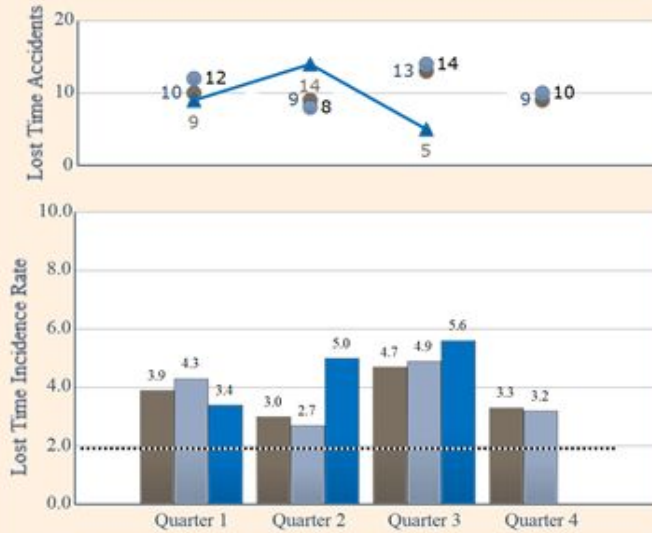
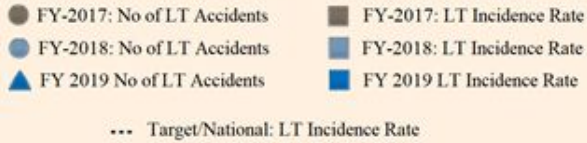


Waste Water Treatment had the highest electricity consumption in April at 17,558 KWh

OPERATIONAL HIGHLIGHTS

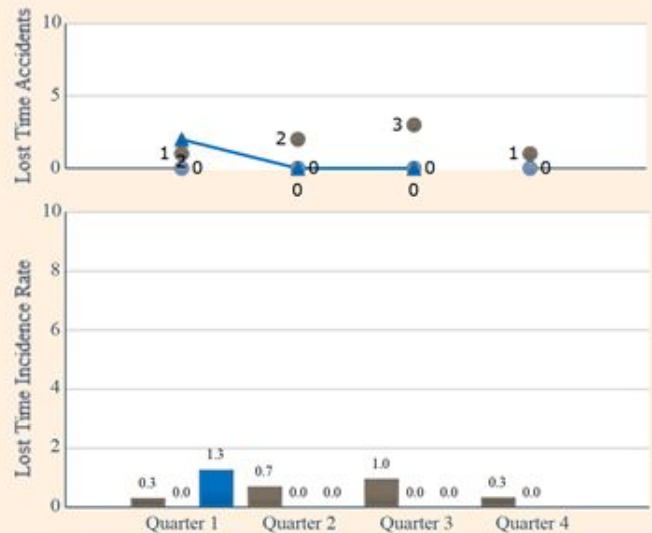
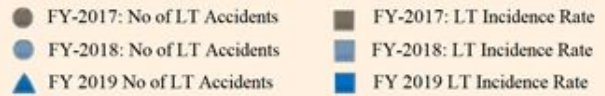
SAFETY

EMPLOYEE LOST TIME INCIDENCE RATE



In the 3rd quarter, 5 lost time accidents were reported

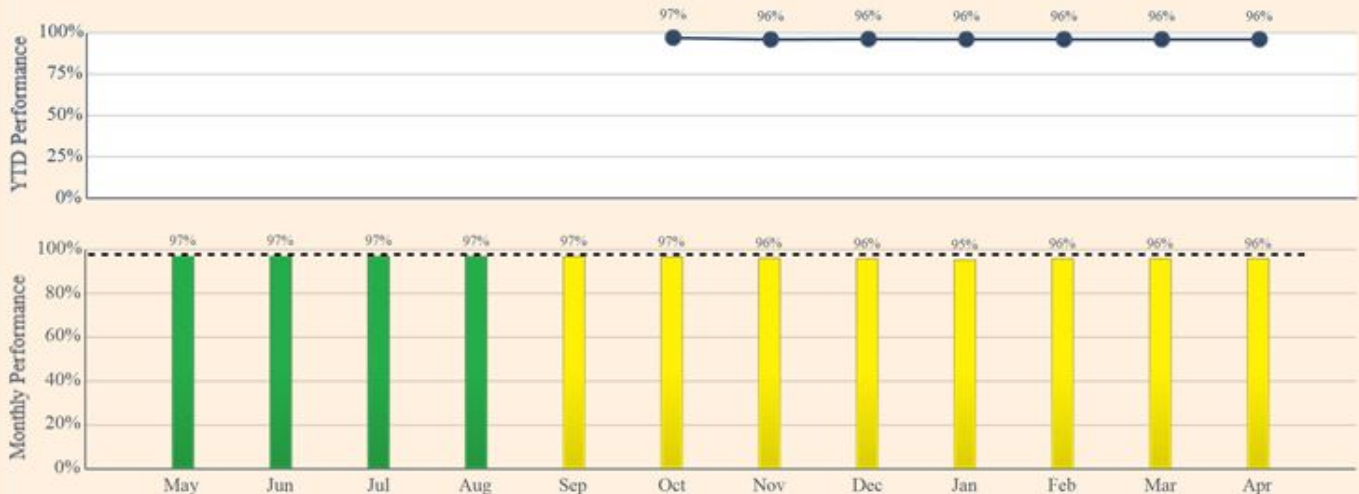
CONTRACTOR LOST TIME INCIDENCE RATE



In the 3rd quarter, 0 lost time accidents were reported

VENDOR PAYMENTS

VENDOR PAYMENT PERFORMANCE



Performance for April was below the monthly target by 1%

INTERPRETATION OF CHARTS:

FINANCIAL HIGHLIGHTS

Revenue, Expenditure, Capital Disbursement

- Bulls eye shows the variance for YTD budget against actual for revenues, expenditures and capital disbursements
- Bar graph shows **total** for the fiscal year budgeted(grey)-revenues, expenditures and capital disbursements against YTD actual(blue)
- Horizontal line graph shows a YTD progress analysis as compared to the previous year

Net Operating Cash

- Bar graph shows monthly net operating cash provided/used
- Line graph denoted by (Δ) compares YTD actual against budget (O). This element is dynamically color coded*

Operating Revenues

- Bar graph shows monthly operating revenues
- Line graph denoted by (Δ) compares YTD revenue against budget (O). This element is dynamically color coded*

Operating Expenses

- Bar graph shows monthly operating expenses
- Line graph denoted by (Δ) compares YTD expenditure against budget (O). This element is dynamically color coded**

Capital Disbursements

- Bar graph shows monthly capital disbursements
- Line graph denoted by (Δ) compares YTD disbursements against budget (O). This element is dynamically color coded**

Operating Cash Balance

- Bar graph shows monthly average cash balance compared to the target of \$125 million; indicated by grey dotted line

Delinquent Account Receivables

- Bar graph shows monthly Receivables to Revenue ratio against target of 3%; indicated by grey dotted line. This element is dynamically color coded**
- Line graph denoted by (Δ) shows delinquency in actual dollars

Investment Cash Earnings

- Bar graph shows monthly investment cash earnings
- Line graph denoted by (Δ) compares the YTD earnings against budget (O). This element is dynamically color coded*

Core Investments Yield

- Bar graph shows the monthly investment yield compared to the monthly target (grey) benchmark as set by the US Treasury Bill. This element is dynamically color coded*

Short Term Investment Yield

- Bar graph shows the monthly short term investment yield compared to the monthly short term target (grey) benchmark as set by the US Treasury Bill. This element is dynamically color coded*

Dynamic Color Coding Legend

*	**
<p>Red - when the actual is lower than 3% of budget or target</p> <p>Yellow - when the actual is within 3% of budget or target</p> <p>Green - when the actual is equal to or higher than budget or target</p>	<p>Red - when the actual is higher than 3% of budget or target</p> <p>Yellow - when the actual is within 3% of budget or target</p> <p>Green - when the actual is equal to or lower than budget or target</p>

Symbols where the color code applies- (Δ, □)

A

CUSTOMER CARE AND OPERATIONS HIGHLIGHTS

Call Center Performance

- Bar graph shows monthly percentage of calls answered within 40 seconds against target of 85%; indicated by grey dotted line. This element is dynamically color coded***
- Line graph denoted by (O) shows the number of calls received by the call center every month

Command Center Performance

- Bar graph shows monthly percentage of calls answered within 40 seconds against target of 85%; indicated by grey dotted line. This element is dynamically color coded***
- Line graph denoted by (O) shows the number of calls received by the command center every month

First Call Resolution (FCR)

- Bar graph shows monthly percentage of calls resolved on first contact against target of 75%; indicated by grey dotted line. This element is color dynamically coded***

Emergency Response Time

- Bar graph shows the percentage of emergency calls responded to within 45 minutes against target of 90%; indicated by grey dotted line. This element is dynamically color coded***
- Line graph denoted by (O) shows the total calls dispatched per month

Fire Hydrants Out of Service (OOS)

- Bar graph shows total hydrants not available for use against target of 91; indicated by grey dotted line. This element is dynamically color coded****
- The bar graph is stacked (blue) to show hydrants that are inaccessible. Inaccessible hydrants are not measured against the target of 91

Fire Hydrant Inspections and Maintenance

- Bar graph shows the total number of fire hydrants repaired per month

Fire Hydrant Replacements

- Bar graph shows the total number of hydrants replaced per month against target of 21; indicated by grey dotted line. This element is dynamically color coded****

Total Applications Processed within Service Level Agreement (SLA)

- Bar graph shows
 - the number of permits processed per month(dark blue)
 - the number of permits processed within SLA per month(light blue)
- Line graph denoted by (O) shows the percentage of permits processed vs. processed within SLA

Dynamic Color Coding Legend

***	****
<p>Red- when the actual is lower than 5% of budget or target</p> <p>Yellow- when the actual is within 5% of budget or target</p> <p>Green- when the actual is equal to or higher than budget or target</p>	<p>Red- when the actual is higher than 5% of budget or target</p> <p>Yellow- when the actual is within 5% of budget or target</p> <p>Green- when the actual is equal to or lower than budget or target</p>

Symbols where the color code applies- (Δ, □)

LOW INCOME ASSISTANCE PROGRAM

SPLASH Contributions

- Bar graph shows monthly SPLASH contributions
- Line graph denoted by (Δ) shows the YTD contributions against target (O). This element is color coded***

Customer Assistance Program (CAP)

- Bar graph shows monthly CAP assistance
- Line graph denoted by (Δ) shows the YTD contributions against budget (O). This element is color coded***

OPERATIONAL HIGHLIGHTS

Lead and Copper Rule (LCR) Compliance

- Line graph denoted by (Δ, O) shows semi-annual LCR monitoring results against target of 15ppb; indicated by grey dotted line. This element is color coded****

Total Coliform Rule (TCR)

- Line graph denoted by (Δ) shows total coliform positives against the EPA maximum contaminant level of 5%. This element is color coded****

Biosolids Production

- Bar graph shows monthly average daily biosolids production

Total Nitrogen

- Line graph denoted by (Δ) shows monthly total nitrogen level against the current permit (dark grey) and 2015 permit (light grey) levels. This element is color coded****

Plant Effluent Flow

- Line graph denoted by (Δ) shows monthly influent flow against the plant design average limit of 370MGD. This element is color coded****

Excess Flow

- Line graph denoted by (Δ) shows monthly excess flow

Water Main Leaks

- Bar graph shows the water main leaks reported
- The bar graph is stacked(dark blue) to show the pending leaks carried over from the previous month if any; bar graph(light blue) shows new water main leaks reported for the given month
- Line graph denoted by (O) shows the number of main leaks repaired per month

Water Valve Leaks

- Bar graph shows the water valve leaks reported
- The bar graph is stacked(dark blue) to show the pending leaks carried over from the previous month if any; bar graph(light blue) shows new water valve leaks reported for the given month
- Line graph denoted by (O) shows the number of valve leaks repaired per month

Dynamic Color Coding Legend

***	****
Red- when the actual is lower than 5% of budget or target	Red- when the actual is higher than 5% of budget or target
Yellow- when the actual is within 5% of budget or target	Yellow- when the actual is within 5% of budget or target
Green- when the actual is equal to or higher than budget or target	Green- when the actual is equal to or lower than budget or target

Symbols where the color code applies- (Δ, □)

Non Revenue Water

- Bar graph shows the volume of water purchased(dark blue) and water sold(light blue) per quarter
- Line graph denoted by (Δ, O) shows the Infrastructure Leakage Index(ILI) for the current and previous year

Sewer Main Backups

- Bar graph shows the sewer main backups reported
- The bar graph is stacked(dark blue) to show the pending backups carried over from the previous month if any; bar graph(light blue) shows new sewer main backups reported for the given month
- Line graph denoted by (O) shows the number of main backups resolved per month

Sewer Lateral Backups

- Bar graph shows the sewer lateral backups reported
- The bar graph is stacked(dark blue) to show the pending backups carried over from the previous month if any; bar graph(light blue) shows new sewer laterals backups reported for the given month
- Line graph denoted by (O) shows the number of lateral backups resolved per month

Combined Sewer dry weather Overflow (CSO) Events

- Bar graph shows dry weather CSO events per month
- Line graph denoted by (O) shows the volume in Million Gallons(MG) per dry weather CSO event

Open Positions

- Bar graph (dark blue) shows open positions carried over from the previous month.
- Bar graph (light blue) shows new positions added in the given month.
- Bar graph (olive green) shows positions filled in the given month.
- Bar graph (orange) shows positions cancelled in the given month.
- Bar graph (light green) shows net remaining open positions at the end of the given month.

Electricity Usage Summary

- Bar graph shows total electricity consumption per month

Electricity Usage by Service Area

- Shows a monthly breakdown by service area of electricity usage
- Dark blue shows for Waste Water Treatment Service Area
- Light blue shows Water Pumping Service Area
- Brown shows Sewer Pumping Service Area

Employee Lost Time Incidence Rate

- Bar graph shows quarterly Employee Lost Time (LT) incidence rate as compared to the National average LT rate of 2.0; indicated by grey dotted line. Light blue represents the previous year, brown represents the year before previous and dark blue the current fiscal year.
- Scatter graph denoted by (Δ, O) shows the number of Lost Time accidents and comparison is also made between the current year and the previous years.

Contractor Lost Time Incidence Rate

- Bar graph shows quarterly Contractor Lost Time (LT) incidence rate. Light blue represents the previous year, brown represents the year before previous and dark blue the current fiscal year.
- Scatter graph denoted by (Δ, O) shows the number of Lost Time accidents and comparison is also made between the current year and the previous years.

Dynamic Color Coding Legend

***	****
<p>Red- when the actual is lower than 5% of budget or target</p> <p>Yellow- when the actual is within 5% of budget or target</p> <p>Green- when the actual is equal to or higher than budget or target</p>	<p>Red- when the actual is higher than 5% of budget or target</p> <p>Yellow- when the actual is within 5% of budget or target</p> <p>Green- when the actual is equal to or lower than budget or target</p>

Symbols where the color code applies- (Δ, □)

Vendor Payment Performance

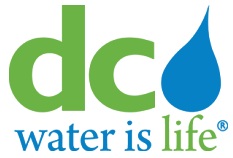
- Bar graph shows monthly Vendor Payment Performance percentage against monthly target of 97%; indicated by grey dotted line. This element is dynamically color coded**
- Line graph denoted by (O) shows the YTD vendor payment performance %.

Dynamic Color Coding Legend

***	****
<p>Red- when the actual is lower than 5% of budget or target</p> <p>Yellow- when the actual is within 5% of budget or target</p> <p>Green- when the actual is equal to or higher than budget or target</p>	<p>Red- when the actual is higher than 5% of budget or target</p> <p>Yellow- when the actual is within 5% of budget or target</p> <p>Green- when the actual is equal to or lower than budget or target</p>

Symbols where the color code applies- (Δ, □)

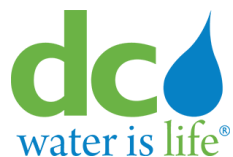
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America's Water Infrastructure Act (AWIA) 2018

*District of Columbia Water and Sewer Authority
Board of Directors Meeting
June 6, 2019*

DCWATER.COM



AWIA signed October 2018

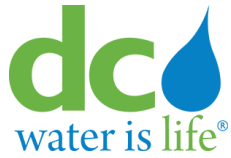
Safe Drinking Water Act (SDWA)

- AWIA Section 2013 amends Section 1433
 - Risk and Resilience Assessments
 - Emergency Response Plans
 - Certification of Compliance
 - Returning/destroying hard copy vulnerabilities
 - Revise and recertify every 5 years
 - Coordinate with local emergency planning committees
 - Source Water – state must notify systems of a release and have access to EPCRA Tier II data

Compliance Due Dates*:

- Risk Assessment Certification Due Dates
 - Over 100,000 served – Mar. 31, 2020*
 - 50,000-99,999 served – Dec. 31, 2020
 - 3,301-49,999 served – June 30, 2021
- Emergency Response Plans
 - 6 months after completion of assessment
 - DC Water August 31, 2020*

DCWATER.COM



Compliance Efforts



Risk and Resilience Assessment

- Authority wide J100 vulnerability assessment and findings completed April of 2018.
- AWIA Gap Analysis by Sept. 2019
- Additional assessment needs by Dec. 2019.



Emergency Response Plan

- Emergency management plans are updated annual and revised at least every five years.
- Incorporate risk findings and Authority realignment by Aug. 2020.



Review and Recertify – 5 YR Cycle

- Adjusting tracking matrix for assessment and plan revision cycle.
- Analyzing budget projections to include compliance needs.



Stakeholder Engagement

- Continuously partner with internal and external stakeholders.
- Recently established a DC Water Hazard Mitigation Task Force.



Thanks for Listening



Dusti Lowndes
Director,
Emergency Management

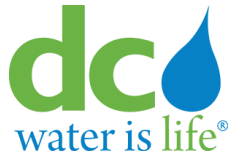


202-957-4726



Dusti.Lowndes@dcwater.com

DCWATER.COM



EMAP Accreditation Award

Mike Daniska
EMAP Commissioner
North Carolina Dept. of Public Safety
Professional Standards, Policy & Planning



Consent Agenda

Summary of Contracts

254th Meeting of the DC Water Board of Directors

Thursday, June 6, 2019

Joint Use Contracts

1. Resolution No. 19-28, Execute Contract No. 130180, Ulliman Schutte Construction, LLC - The purpose of the contract is to upgrade the major equipment and systems serving the primary sludge screening, degritting and gravity thickening facilities that have reached the end of their service life. The total contract amount is \$60,390,000. **(Recommended by the Environmental Quality and Operations Committee 05/16/19)**

2. Resolution No. 19-29, Execute Supplemental Agreement No. 11 of Contract No. DCFA #380-WSA, Arcadis District of Columbia, P.C. The purpose of the supplemental agreement is to provide engineering support services, including technical reviews, during construction for the Filtration Influent Pumps 1-10 Replacement project. The supplemental agreement amount is \$1,395,500. **(Recommended by the Environmental Quality and Operations Committee 05/16/19)**

3. Resolution No. 19-30, Execute Supplemental Agreement No. 5 of Contract No. DCFA #425-WSA, HDR Engineering, Inc. The purpose of the supplemental agreement is to provide engineering support services, including technical reviews, during construction to the Gravity Thickeners and the Primary Sludge Screening and Degritting Building. The supplemental agreement amount is \$4,000,000. **(Recommended by the Environmental Quality and Operations Committee 05/16/19)**

4. Resolution No. 19-31, Execute Contract No. 18-PR-DFS-38, ADP Consultants Inc. The purpose of the contract is to replace the roof and remove skylights from the Dewatering Sludge Loading Facility Building located at Blue Plains. The contract amount is \$1,108,322.30. **(Recommended by the Environmental Quality and Operations Committee 05/16/19)**

5. Resolution No. 19-32, Exercise Option Year Three (3) of Contract No. 16-PR-DWT-13A, Urban Service Systems Corporation The purpose of the option is to continue the hauling and disposal services for grit and scum collected at the Blue Plains Screenings and

Grit Removal Facilities and from Screenings Removal Facilities at the Authority's Sewer Pumping Stations. The option amount is \$1,002,000. **(Recommended by the Environmental Quality and Operations Committee 05/16/19)**

6. Resolution No. 19-33, Execute Contract No. 18-PR-DIT-59, Infosys Public Service, Inc. The purpose of the contract is to provide technical support for DC Water's Maximo enterprise system. The contract amount is \$434,000. **(Recommended by the Environmental Quality and Operations Committee 05/16/19)**

7. Resolution No. 19-34, Execute Contract No. 17-PR-CFO-20A,20B,20C, Alliant Insurance Services, Aon Risk Solutions, Inc., of Washington, DC and Willis of Maryland, Inc. The purpose of the contract is to pay property casualty insurance premiums through DC Water's brokers of record in the total amount not to exceed \$3,303,841. **(Recommended by the Finance and Budget Committee 05/28/19)**

8. Resolution No. 19-35, Execute Contract No. 19-PR-OCEO-13, RSM US LLP (RSM) The purpose of the contract is to engage a qualified independent audit firm to provide internal audit services. The contract amount for the base two (2) years is \$1,460,000. **(Recommended by the Audit Committee 05/28/19)**

Presented and Approved: June 6, 2019

SUBJECT: Approval to Execute Contract No. 130180, Ulliman Schutte Construction, LLC

**#19-28
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
D.C. WATER AND SEWER AUTHORITY**

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority ("the Authority") at its meeting on June 6, 2019 upon consideration of a joint use matter, decided by a vote of __() in favor and __() opposed to approve Contract No. 130180, Ulliman Schutte Construction, LLC.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Contract No. 130180, Ulliman Schutte Construction, LLC. The purpose of the contract is to upgrade the major equipment and systems serving the primary sludge screening, degritting and gravity thickening facilities that have reached the end of their service life. The total contract amount is \$60,390,000.

This Resolution is effective immediately.

Secretary to the Board of Directors

**DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY
BOARD OF DIRECTORS CONTRACTOR FACT SHEET**

ACTION REQUESTED

CONSTRUCTION CONTRACT:

**Gravity Thickener Upgrades – Phase II
(Joint Use)**

Approval to execute a construction contract for \$60,390,000.00

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME:	SUBS:	PARTICIPATION:
Ulliman Schutte Construction, LLC 14420 Albermarle Point Place	Hi-Mark Construction Group, Inc. Middletown, OH	MBE 28.3%
Suite 110 Chantilly, VA 20151	GE Frisco Co., Inc. Upper Marlboro, MD	MBE 4.8%
<u>Headquarters</u> Miamisburg, OH 45342	Monumental Concrete, LLC Washington, DC	MBE 0.3%
	Ideal Electrical Supply Corp. Washington, DC	WBE 6.2%
	Elite Hauling Group, Inc. Clinton, MD	WBE 0.1%

DESCRIPTION AND PURPOSE

Contract Value, Not-To-Exceed:	\$60,390,000.00
Contract Time:	1,500 Days (4 Years 1 Month)
Anticipated Contract Start Date (NTP):	09-06-2019
Anticipated Contract Completion Date:	10-15-2023
Bid Opening Date:	02-27-2019
Bids Received:	3
Other Bids Received	
CPP Construction Company	\$62,334,000.00
Balfour Beatty Infrastructure, Inc.	\$67,276,000.00

Purpose of the Contract:

Upgrades to the major equipment and systems serving the primary sludge screening, dewatering and gravity thickening facilities that have reached the end of their service life and are currently operating ineffectively.

Contract Scope:

- Replacement of primary sludge screening system.
- Replacement of previously decommissioned primary sludge dewatering system.
- Restoring previously decommissioned Gravity Thickeners 5-6 to service to increase the operating capacity of the facility to accommodate additional solids generated by the new Enhanced Clarification Facility.
- Full rehabilitation of Gravity Thickeners 1-4 and 7-10, several of which are currently out of service due to failed equipment.
- Installation of covers and ventilation system for Gravity Thickeners 1-10.
- Installation of associated dewaterer feed pumps, sludge pumps and scum pumps.
- Piping site work, concrete repairs and coatings, electrical upgrades, instrumentation upgrades and all appurtenant work.

Federal Grant Status:

- Construction Contract is eligible for Federal grant funding assistance: inclusion in grant is pending availability of grant funds.

PROCUREMENT INFORMATION

Contract Type:	Fixed Price	Award Based On:	Lowest responsive, responsible bidder
Commodity:	Construction	Contract Number:	130180
Contractor Market:	Open Market		

BUDGET INFORMATION

Funding:	Capital	Department:	Wastewater Engineering
Service Area:	Wastewater	Department Head:	Algynon A. Collymore
Project:	BX		

ESTIMATED USER SHARE INFORMATION

User	Share %	Dollar Amount
District of Columbia	32.21%	\$19,454,544.00
Federal Funds*	9.01%	\$5,438,214.00
Washington Suburban Sanitary Commission	45.84%	\$27,682,776.00
Fairfax County	8.38%	\$5,060,682.00
Loudoun County & Potomac Interceptor	4.56%	\$2,753,784.00
Total Estimated Dollar Amount	100.00%	\$60,390,000.00

*Eligible for Federal Grant Funding at 55% of the District of Columbia share. Grant funding is insufficient to fund all eligible contracts. Federal Grant Funding may be used if additional funding becomes available or if other eligible projects are postponed.

Leonard R. Benson

May 9, 2019

Leonard R. Benson, SVP and Chief Engineer

Date

Dan Bae

May 9, 2019

Dan Bae, VP
Procurement and Compliance

Date

Matthew T. Brown

May 9, 2019

Matthew T. Brown, CFO and EVP
Finance and Procurement

Date

David L. Qadis
CEO and General Manager

5/30/19
Date

Presented and Approved: June 6, 2019

SUBJECT: Approval to Execute Supplemental Agreement No. 11 of Contract No. DCFA #380-WSA, Arcadis District of Columbia, P.C.

**#19-29
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
D.C. WATER AND SEWER AUTHORITY**

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority ("the Authority") at its meeting on June 6, 2019 upon consideration of a joint use matter, decided by a vote of ___() in favor and ___() opposed to approve Supplemental Agreement No. 11 of Contract No. DCFA #380-WSA, Arcadis District of Columbia, P.C.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Supplemental Agreement No. 11 of Contract No. DCFA #380-WSA, Arcadis District of Columbia, P.C. The purpose of the supplemental agreement is to provide engineering support services, including technical reviews, during construction for the Filtration Influent Pumps 1-10 Replacement project. The supplemental agreement amount is \$1,395,500.

This Resolution is effective immediately.

Secretary to the Board of Directors

**DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY
BOARD OF DIRECTORS CONTRACTOR FACT SHEET**

ACTION REQUESTED

ENGINEERING SERVICES SUPPLEMENTAL AGREEMENT:

**Filtration and Disinfection Facilities Upgrade
(Joint Use)**

Approval to execute Supplemental Agreement No. 11 for \$1,395,500.00. The modification exceeds the Chief Executive Officer's approval authority.

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME:	SUBS:	PARTICIPATION:
Arcadis District of Columbia, P.C. 2101 L Street NW Suite 200 Washington DC 20037	Milhouse Engineering Washington DC MBE	33.3%
<u>Headquarters</u> Amsterdam, The Netherlands	Albrecht Engineering Baltimore, MD WBE	4.5%

DESCRIPTION AND PURPOSE

Original Contract Value:	\$ 1,118,684.00
Value of this Supplemental Agreement:	\$ 1,395,500.00
Cumulative SA Value, including this SA:	\$ 9,453,930.00
Current Contract Value, Including this SA:	\$10,572,614.00
Original Contract Time:	378 Days (1 Year)
Time extension, this SA:	1177 Days (3 Year, 3 Months)
Total SA contract time extension:	6,986 Days (19 Years, 2 Months)
Contract Start Date:	08-02-2002
Contract Completion Date:	09-30-2022

NOTE: Attached supplemental material provides explanation of engineering project development.

Purpose of the Contract:

Upgrade critical elements of the Filtration and Disinfection Facility to improve reliability and assure continued compliance with NPDES permit requirements.

Original Contract Scope:

- Provide engineering services to identify upgrades to critical elements of the Filtration and Disinfection Facilities.
- Provide engineering services to upgrade the filter underdrains, filter media, and washwater system.
- Provide new air scour blowers and piping.

Previous Supplemental Agreement Scope:

- Engineering services for hydraulic modeling of the filter influent pumping system and pre-selection of filter influent pumps
- Engineering Design Services for replacement of the filter influent pumps and miscellaneous facility upgrades.

Current Supplemental Agreement Scope:

- Provide engineering support services, including technical reviews, during construction for the Filtration Influent Pumps 1-10 Replacement project.

Future Supplemental Agreement Scope:

- Future Supplemental Agreement is anticipated for final design and engineering support services for the construction phase of the Filter Influent Channel repair project.

PROCUREMENT INFORMATION


Contract Type:	Fixed Price & Cost Plus Fixed Fee	Award Based On:	Highest Ranking Score
Commodity:	Engineering Design Services	Contract Number:	DCFA #380-WSA
Contractor Market:	Open Market		


BUDGET INFORMATION


Funding:	Capital	Department:	Wastewater Engineering
Service Area:	Wastewater Treatment	Department Head:	Algynon Collymore
Project:	UC		

ESTIMATED USER SHARE INFORMATION

User	Share %	Dollar Amount
District of Columbia	41.22%	\$ 575,225.10
Washington Suburban Sanitary Commission	45.84%	\$ 639,697.20
Fairfax County	8.38%	\$ 116,942.90
Loudoun County & Potomac Interceptor	4.56%	\$ 63,634.80
Total Estimated Dollar Amount	100.00%	\$1,395,500.00


 Leonard R. Benson
 Senior Vice President
 Chief Engineer
 Date: 5-4-19


 Dan Bae
 Vice President
 Procurement & Compliance
 Date: 5/8/19


 Matthew T. Brown
 Executive Vice President
 Finance & Procurement
 Date: 5/8/19


 David L. Gadis
 CEO & General Manager
 Date: 5/20/19

Presented and Approved: June 6, 2019

**SUBJECT: Approval to Execute Supplemental Agreement No. 5 of
Contract No. DCFA #425-WSA, HDR Engineering, Inc.**

**#19-30
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
D.C. WATER AND SEWER AUTHORITY**

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority ("the Authority") at its meeting on June 6, 2019 upon consideration of a joint use matter, decided by a vote of ___() in favor and ___() opposed to approve Supplemental Agreement No. 5 of Contract No. DCFA #425-WSA, HDR Engineering, Inc.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Supplemental Agreement No. 5 of Contract No. DCFA #425-WSA, HDR Engineering, Inc. The purpose of the supplemental agreement is to provide engineering support services, including technical reviews, during construction to the Gravity Thickeners and the Primary Sludge Screening and Degritting Building. The supplemental agreement amount is \$4,000,000.

This Resolution is effective immediately.

Secretary to the Board of Directors

**DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY
BOARD OF DIRECTORS CONTRACTOR FACT SHEET**

ACTION REQUESTED

ENGINEERING SERVICES SUPPLEMENTAL AGREEMENT:

**Gravity Thickener Upgrades
(Joint Use)**

Approval to execute Supplemental Agreement No. 5 for \$4,000,000. The modification exceeds the Chief Executive Officer's approval authority.

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME:	SUBS:	PARTICIPATION:
HDR Engineering, Inc. 2600 Park Tower Drive, Suite 100, Vienna, VA 22180	Savin Engineers, PC Baltimore, MD	MBE 42.3 %
Headquarters Omaha, NE 68114	PDH Associates, Inc. Potomac, MD	WBE 9.5 %
	Simpson, Gumpertz & Heger Washington, DC	1.0 %

DESCRIPTION AND PURPOSE

Original Contract Value:	\$1,100,000
Value of this Supplemental Agreement:	\$4,000,000
Cumulative SA Value, including this SA:	\$8,501,591
Current Contract Value, Including this SA:	\$9,601,591
Original Contract Time:	365 Days (1 Year)
Time extension, this SA:	1,309 Days (4 Years, 1 month)
Total SA contract time extension:	4,252 Days (11 Years, 8 Months)
Contract Start Date:	02-23-2011
Contract Completion Date:	10-15-2023

NOTE: Attached supplemental material provides explanation of engineering project development.

Purpose of the Contract:

Provide engineering services for the development of upgrades to the Gravity Thickeners (GTs) and the Primary Sludge Screening and Degritting Building.

Original Contract Scope:

- Provide a concept design report and preliminary engineering services for improvements to the Gravity Thickener Facility.

Previous Supplemental Agreement Scope:

- Provide engineering services for detailed design and bidding including, restoring GTs 5-6 to service, new equipment for GTs 7-10, covers and ventilation for GTs 1-10, new primary sludge degritting equipment and upgrades to electrical and controls systems.
- Preparation of a Commissioning Plan during design and an Operations and Maintenance (O&M) Manual.
- Provide engineering services for additional detailed design including, dilution of the degritter feed system and new pumps, new equipment for GTs 1-4, new primary sludge screening equipment, several improvements for operator safety and updates for changed site conditions.

Current Supplemental Agreement Scope:

- Provide engineering support services, including technical reviews, during construction for upgrades to the Gravity Thickeners and the Primary Sludge Screening and Degritting Building.

Future Supplemental Agreement Scope:

- No future supplemental agreements are anticipated.

PROCUREMENT INFORMATION


Contract Type:	Fixed Price & Cost Plus Fixed Fee	Award Based On:	Highest Ranking Score
Commodity:	Engineering Design Services	Contract Number:	DCFA #425-WSA
Contractor Market:	Open Market		

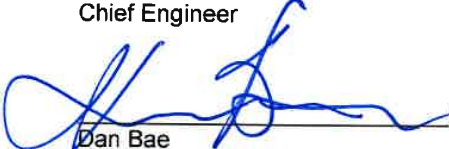
BUDGET INFORMATION


Funding:	Capital	Department:	Wastewater Engineering
Service Area:	Wastewater	Department Head:	Algynon Collymore
Project:	BX		

ESTIMATED USER SHARE INFORMATION

User	Share %	Dollar Amount
District of Columbia	41.22%	\$ 1,648,800.00
Washington Suburban Sanitary Commission	45.84%	\$ 1,833,600.00
Fairfax County	8.38%	\$ 335,200.00
Loudoun County & Potomac Interceptor	4.56%	\$ 182,400.00
Total Estimated Dollar Amount	100.00%	\$ 4,000,000.00


 _____ 5/6/19
 Leonard R. Benson Date
 Senior Vice President
 Chief Engineer


 _____ 5/8/19
 Dan Bae Date
 Vice President
 Procurement & Compliance


 _____ 5/8/19
 Matthew T. Brown Date
 Executive Vice President
 Finance & Procurement


 _____ 5/30/19
 David L. Gadis Date
 CEO & General Manager

Presented and Approved: June 6, 2019
SUBJECT: Approval to Execute Contract No. 18-PR-DFS-38, ADP Consultants Inc.

#19-31
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
D.C. WATER AND SEWER AUTHORITY

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority ("the Authority") at its meeting on June 6, 2019 upon consideration of a joint use matter, decided by a vote of ___() in favor and ___() opposed to approve Contract No. 18-PR-DFS-38, ADP Consultants Inc.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Contract No. 18-PR-DFS-38, ADP Consultants Inc. The purpose of the contract is to replace the roof and remove skylights from the Dewatering Sludge Loading Facility Building located at Blue Plains. The contract amount is \$1,108,322.30.

This Resolution is effective immediately.

Secretary to the Board of Directors

**DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY
BOARD OF DIRECTORS CONTRACTOR FACT SHEET**

ACTION REQUESTED

GOODS AND SERVICES CONTRACT AWARD

**Dewatering Sludge Loading Facility (DSLFL) Building Roof Replacement
(Joint Use)**

Approval to execute a contract award for the DSLFL Building's Roof replacement in the amount of \$1,108,322.30.

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME: ADP CONSULTANTS INC 4917 Ames Street, NE. Washington DC 20019 LSBE	SUBS: N/A	PARTICIPATION: N/A
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DESCRIPTION AND PURPOSE

Original Contract Value:	\$1,108,322.30
No. of Option Years:	0
Anticipated Contract Start Date:	07-01-2019
Anticipated Base Period Completion	07-01-2020
Proposals Received:	3
Proposal Price Range:	\$1,108,322.30 - \$1,830,550.00
Preference Points Received:	10

Purpose of the Contract:

The Department of Facilities Services has a need for a qualified contractor to replace the roof and remove skylights from the Dewatering Sludge Loading Facility (DSLFL) Building located at Blue-Plains. The roof's current condition shows substantial deterioration and leakage.

Contract Scope:

The work to be performed under this contract shall include but not be limited to the following: furnish all roof work, competent and full-time supervision, experienced roof mechanics, all materials, tools, equipment and insurance necessary for the rehabilitation of the DSLFL Building roof and removal of skylights.

The original project scope included the replacement of existing skylights which is not required after further review and removed from the scope. Installation of solar panels was also considered but it was not feasible because of many roof mechanical units blocking the southern solar exposure needed for effective solar output.

Supplier Selection:

DC Water advertised a RFP and contacted 12 potential contractors during the solicitation process. 5 suppliers attended the mandatory pre-bid visit and 3 contractors responded with proposals: ADP Consultants Inc., Evergreen Unlimited, and North East Construction.

One proposal was determined non-responsive as this contractor did not submit all required documents such as safety manual, responses to some technical requirements, references, licenses, and certifications. ADP Group's proposal was the lowest responsive proposal.

This contract resulted in total saving of \$221,314.58 from the initial proposal: \$190,764.58 from removal of skylights and \$30,550 from price negotiation.

PROCUREMENT INFORMATION


Contract Type:	Fixed Price	Award Based On:	Highest Rated Proposal
Commodity:	Goods and Services	Contract Number:	18-PR-DFS-38
Contractor Market:	Open Market with Preference Points for LBE and LSBE participation		

BUDGET INFORMATION


Funding:	Capital Project - LS44520000	Department:	Facilities
Service Area:	Wastewater Treatment	Department Head:	Brent Christ

ESTIMATED USER SHARE INFORMATION

User	Share %	Dollar Amount
District of Columbia	41.22%	\$ 456,850.45
Washington Suburban Sanitary Commission	45.84%	\$ 508,054.94
Fairfax County	8.38%	\$ 98,877.41
Loudoun Water	3.73%	\$ 41,340.42
Other (PI)	0.83%	\$ 9,199.08
TOTAL ESTIMATED DOLLAR AMOUNT	100.00%	\$1,108,322.30

 / 4/25/2019

 Maureen Holman Date
 EVP of Administration

 / 4/25/19

 Dan Bae Date
 VP of Procurement and Compliance

 / 5/2/2019

 Matthew T. Brown Date
 CFO and EVP of Finance and Procurement

 / 5/30/19

 David L. Gadis Date
 CEO and General Manager

Presented and Approved: June 6, 2019

SUBJECT: Approval to Execute Option Year Three (3) of Contract No. 16-PR-DWT-13A, Urban Service Systems Corporation

**#19-32
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
D.C. WATER AND SEWER AUTHORITY**

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority ("the Authority") at its meeting on June 6, 2019 upon consideration of a joint use matter, decided by a vote of ___() in favor and ___() opposed to approve Option Year Three (3) of Contract No. 16-PR-DWT-13A, Urban Service Systems Corporation.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Option Year Three (3) of Contract No. 16-PR-DWT-13A, Urban Services Systems Corporation. The purpose of the option is to continue the hauling and disposal services for grit and scum collected at the Blue Plains Screenings and Grit Removal Facilities and from Screenings Removal Facilities at the Authority's Sewer Pumping Stations. The option amount is \$1,002,000.

This Resolution is effective immediately.

Secretary to the Board of Directors

**DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY
BOARD OF DIRECTORS CONTRACTOR FACT SHEET**

ACTION REQUESTED

GOODS AND SERVICES CONTRACT OPTION YEAR

**Solids Screening Facility Hauling
(Joint Use)**

Approval to exercise option year 3 for the hauling of grit and scum from the solids screening facility in the amount of \$1,002,000.00.

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME: Urban Service Systems Corporation 212 Van Buren St., NW Washington, D.C. 20012 LBE	SUBS: N/A	PARTICIPATION: N/A
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DESCRIPTION AND PURPOSE

Original Contract Value:	\$900,000.00
Original Contract Dates:	04-18-2016 – 04-17-2017
No. of Option Years in Contract:	4
Option Year 1 Value:	\$850,000.00
Option Year 1 Dates:	06-19-2017 – 06-18-2018
Option Year 2 Value:	\$1,018,000.00
Option Year 2 Dates:	06-19-2018 – 06-18-2019
Prior Modification Value:	\$560,352.06
Prior Modification Dates:	04-18-2017 – 06-18-2019
Option Year 3 Value:	\$1,002,000.00
Option Year 3 Dates:	06-19-2019 – 06-18-2020

Purpose of the Contract:

This contract provides DC Water’s Department of Wastewater Treatment (DWT) and Department of Pumping Operations (DPO) with hauling and disposal services for grit and scum collected at the Blue Plains Screenings and Grit Removal Facilities and from Screenings Removal Facilities at the Authority’s Sewer Pumping Stations.

Contract Scope:

The Contractor provides all necessary labor, supervision, equipment, materials, tools, insurance and personnel for the hauling of grit, screenings and scum from the above-mentioned areas. Urban Service Systems Corporation (Urban) staff are on site during the day and on call 24/7 to monitor trailers that are being filled. Urban drains the trailers and disposes any liquid that collects, then weighs the trailers and hauls the collected material to permitted landfills.

Spending Previous Year:

Cumulative Contract Value:	04-18-2016 to 06-18-2019: \$3,328,352.06
Cumulative Contract Spending:	04-18-2016 to 04-22-2019: \$3,008,138.06

Contractor’s Past Performance:

According to the COTR, the Contractor’s quality of workmanship; timeliness of deliverables; conformance to DC Water’s policies, procedures and contract terms; and invoicing all meet expectations.

PROCUREMENT INFORMATION

Contract Type:	Fixed Price	Award Based On:	Best Value
Commodity:	Hauling	Contract Number:	16-PR-DWT-13A
Contractor Market:	Open Market with Preference Points for LBE and LSBE participation		

BUDGET INFORMATION

Funding:	Operating	Department:	DWT
Service Area:	Blue Plains	Department Head:	Aklile Tesfaye

ESTIMATED USER SHARE INFORMATION

User	Share %	Dollar Amount
District of Columbia	45.15%	\$407,253.00
Washington Suburban Sanitary Commission	39.61%	\$357,282.20
Fairfax County	9.76%	\$88,035.20
Loudoun Water	4.74%	\$42,754.80
Other (PI)	0.74%	\$6,674.80
TOTAL ESTIMATED DOLLAR AMOUNT	100.00	\$902,000.00

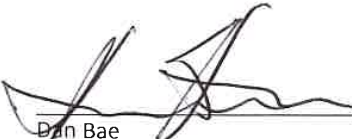
BUDGET INFORMATION

Funding:	Operating	Department:	DPO
Service Area:	District of Columbia	Department Head:	Kenrick St. Louis

ESTIMATED USER SHARE INFORMATION

User	Share %	Dollar Amount
District of Columbia	100.00%	\$100,000.00
Washington Suburban Sanitary Commission	0.00%	\$0.00
Fairfax County	0.00%	\$0.00
Loudoun Water	0.00%	\$0.00
Other (PI)	0.00%	\$0.00
TOTAL ESTIMATED DOLLAR AMOUNT	100.00%	\$100,000.00

 , 4/26/19
 Aklile Tesfaye Date
 VP of Wastewater Operations

 , 4/26/19
 Dan Bae Date
 VP of Procurement and Compliance

 , 5/2/2019
 Matthew T. Brown Date
 CFO and EVP of Finance and Procurement

 , 5/30/19
 David L. Gadis Date
 CEO and General Manager

Presented and Approved: June 6, 2019

SUBJECT: Approval to Execute Contract No. 18-PR-DIT-59, Infosys Public Service, Inc.

**#19-33
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
D.C. WATER AND SEWER AUTHORITY**

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority ("the Authority") at its meeting on June 6, 2019 upon consideration of a joint use matter, decided by a vote of () in favor and _() opposed to approve Contract No. 18-PR-DIT-59, Infosys Public Service, Inc.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Contract No. 18-PR-DIT-59, Infosys Public Service, Inc. The purpose of the contract is to provide technical support for DC Water's Maximo enterprise system. The contract amount is \$434,000.

This Resolution is effective immediately.

Secretary to the Board of Directors

**DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY
BOARD OF DIRECTORS CONTRACTOR FACT SHEET**

ACTION REQUESTED

GOODS AND SERVICES CONTRACT AWARD

MAXIMO MANAGED SERVICES

(Joint Use)

Approval to execute a contract award for Maximo Support Managed Services in the amount of \$434,000.00. Seeking Board approval because total potential spend over all option years exceeds \$1 million.

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME: Infosys Public Service, Inc (Infosys) 800 King Farm Blvd, Suite 505 Rockville, MD 20850, VA 23231	SUBS: N/A	PARTICIPATION: N/A
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DESCRIPTION AND PURPOSE

Base Year Contract Value:	\$434,000.00
Option Years:	4
Anticipated Contract Start Date:	06-15-2019
Anticipated Base Year End Date:	06-14-2020
Proposals Received:	9
Proposals Price Range:	\$591,605.00 - \$1,487,200.00
Preference Points Received:	0

Purpose of the Contract:

Maximo is DC Water’s asset management system. The proposed awardee, Infosys Public Service, would provide technical support for DC Water’s Maximo enterprise system.

Contract Scope:

The awardee will provide three people for services including, but not limited to:

- Ensuring day-to-day operations of the system are adequately maintained
- Transition DC Water’s current Maximo support model to a cloud-based solution
- Integration of Maximo with third party mobile workforce management solutions (i.e. mobile devices)
- Develop and implement application upgrades

Supplier Selection:

Nine firms submitted proposals in response to an open-market solicitation for this contract. Three firms met DC Water’s technical requirements including: guaranteeing minimum Maximo uptime; experience with Maximo in the utilities market; quality of contractor’s help ticket system, etc. Those firms entered in to price negotiations. Infosys provided the lowest price among the three firms that are technically-capable. The price of Best and Final Offer prices ranged from \$434,000 - \$556,800 for the base year.

Savings:

For the base year of the contract, Procurement negotiated a unit price reduction amounting to about \$157,605 from the original proposal.

No LBE/LSBE participation.

PROCUREMENT INFORMATION

Contract Type:	Fixed Price	Award Based On:	Best Value
Commodity:	Information Technology	Contract Number:	18-PR-DIT-59
Contractor Market:	Open Market with Preference Points for Local and Small Businesses		

BUDGET INFORMATION

Funding:	Operating	Department:	IT
Service Area:	DC Water	Department Head:	Hari Kurup

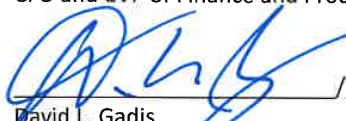
ESTIMATED USER SHARE INFORMATION

User	Share %	Dollar Amount
District of Columbia	84.61%	\$367,207.40
Washington Suburban Sanitary Commission	11.11%	\$48,217.40
Fairfax County	2.74%	\$11,891.60
Loudoun County	1.33%	\$5,772.20
Other (PI)	0.21%	\$911.40
TOTAL ESTIMATED DOLLAR AMOUNT	100.00%	\$434,000.00


 Thomas L. Kuczynski
 VP of Information Technology
 Date: 4/24/19


 Dan Bae
 VP of Procurement and Compliance
 Date: 4/24/19


 Matthew T. Brown
 CFO and EVP of Finance and Procurement
 Date: 5/2/2019


 David L. Gadis
 CEO and General Manager
 Date: 5/30/19

Presented and Approved: June 6, 2019

SUBJECT: Approval to Execute Contract No. 17-PR-CFO-20A, 20B, 20C, Alliant Insurance Services, Aon Risk Solutions, Inc., of Washington, DC, Willis of Maryland, Inc.

**#19-34
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
D.C. WATER AND SEWER AUTHORITY**

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority ("the Authority") at its meeting on June 6, 2019 upon consideration of a joint use matter, decided by a vote of () in favor and () opposed to approve Contract No. 17-PR-CFO-20A, 20B, 20C, Alliant Insurance Services, Aon Risk Solutions, Inc. of Washington, DC, Willis of Maryland, Inc.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Contract No. 17-PR-CFO-20A, 20B, 20C, Alliant Insurance Services, Aon Risk Solutions, Inc., of Washington, DC, Willis of Maryland, Inc. The purpose of the contract is to pay property casualty insurance premiums through DC Water's brokers of record in the total amount not to exceed \$3,303,841.

This Resolution is effective immediately.

Secretary to the Board of Directors

**DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY
BOARD OF DIRECTORS CONTRACTOR FACT SHEET**

ACTION REQUESTED

GOODS AND SERVICES CONTRACT MODIFICATION

**Property and Casualty Insurance Premiums
(Joint Use-Indirect)**

Approval to pay property and casualty insurance premiums through DC Water’s brokers of record in the total amount not to exceed \$3,303,841.00.

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME:	SUBS:	PARTICIPATION:
Alliant Insurance Services 100 Pine Street, 11 th Floor San Francisco, CA 94111	N/A	N/A
Aon Risk Solutions, Inc., of Washington, DC 1120 20 th Street, NW Washington, DC 20036	N/A	N/A
Willis of Maryland, Inc. 12505 Park Potomac Avenue, Suite 300 Potomac, MD 20854	N/A	N/A

DESCRIPTION AND PURPOSE

Year 1 Premium Values:	\$2,906,599.00
Year 1 Premium Dates:	07-01-2017 – 06-30-2018
Year 2 Premium Values:	\$3,220,000.00
Year 2 Premium Dates:	07-01-2018 – 06-30-2019
Year 3 Premium Values:	\$3,303,841.00
Year 3 Premium Dates	07-01-2019 – 06-30-2020

Scope of Broker Services:

This is the final option year of the broker of record contracts. Three (3) commercial insurance brokers were selected through a competitive Request for Proposal (RFP) process to provide various types of insurance brokerage services to DC Water including Property, Flood, Cyber, Pollution, Excess Liability, Excess Worker’s Compensation, Employment Practices, Public Officials, Crime and Fidelity and Fiduciary. These three (3) brokers market/negotiate DC Water’s insurance coverages and periodically compete with each other to bring DC Water the best insurance coverages and premiums. Their annual broker fees are shown below if selected in all of the categories, however, fees are only paid to the placing broker:

Insurance Brokerage Firm	Annual Fee
Alliant	\$131,920.00
Aon	\$142,163.00
Willis	\$144,500.00

Spending Previous Years:

Cumulative Premium Values:	07-01-2017 to 05-13-2019: \$6,126,599.00
Cumulative Premium Spending:	07-01-2017 to 05-13-2019: \$5,842,670.00

Contractor's Past Performance:

According to the COTR, the brokerage firm's service level, timeliness of service delivery, conformance to DC Water's risk management policies, procedures and contract terms and invoicing all meet expectations.

No LBE/LSBE participation.

PROCUREMENT INFORMATION

Contract Type:	Fixed Unit Price	Award Based On:	Highest Ranked Offerors
Commodity:	Services	Contract Numbers:	17-PR-CFO-20A, 20B, 20C
Contractor Market:	Open Market with Preference Points for LBE and LSBE Participation		

BUDGET INFORMATION

Funding:	Operating	Department:	Finance
Project Area:	DC Water Wide	Department Head:	Ivan Boykin

ESTIMATED USER SHARE INFORMATION

User – Operating	Share %	Dollar Amount
District of Columbia	84.61%	\$2,795,380.00
Washington Suburban Sanitary Commission	11.11%	\$367,057.00
Fairfax County	2.74%	\$90,525.00
Loudoun Water	1.33%	\$43,941.00
Other (PI)	0.21%	\$6,938.00
TOTAL ESTIMATED DOLLAR AMOUNT	100.00%	\$3,303,841.00

 / 5/15/19
 Lola Oyeyemi Date
 Director of Budget

 / 5/15/19
 Dan Bae Date
 VP of Procurement and Compliance

 / 5/15/19
 Matthew T. Brown Date
 CFO and EVP of Finance and Procurement

 / 5/19/19
 David L. Gadis Date
 CEO and General Manager

Presented and Approved: June 6, 2019

SUBJECT: Approval to Execute Contract No. 19-PR-OCEO-13, RSM US LLP (RSM)

**#19-35
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
D.C. WATER AND SEWER AUTHORITY**

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority ("the Authority") at its meeting on June 6, 2019 upon consideration of a joint use matter, decided by a vote of () in favor and () opposed to approve Contract No. 19-PR-OCEO-13, RSM US LLP (RSM).

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Contract No. 19-PR-OCEO-13, RSM US LLP (RSM). The purpose of the contract is to engage a qualified independent audit firm to provide internal audit services. The contract amount for the base two (2) years is \$1,460,000.

This Resolution is effective immediately.

Secretary to the Board of Directors

**DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY
BOARD OF DIRECTORS CONTRACTOR FACT SHEET**

ACTION REQUESTED

GOODS AND SERVICES CONTRACT AWARD

**Internal Audit Services
(Joint Use-Indirect)**

Approval to execute a new contract award for internal audit services in the amount of \$1,460,000.00 for the base two (2) years.

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME: RSM US LLP (RSM) 1250 H Street, NW Washington, DC 20005	SUBS: TFC Consulting Inc. 9200 Corporate Blvd, Suite 260 Rockville, MD 20850 LSBE	PARTICIPATION: 10%
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DESCRIPTION AND PURPOSE

Base Years (2) Contract Value:	\$1,460,000.00
Option Years in Contract:	3
Base Years Date:	10-01-2019 - 09-30-2021
Proposal Closing Date:	03-20-2019
Proposals Received:	8
Proposal Range (Five (5) year total):	\$3,468,950.00 - \$5,950,000.00
Preference Points Received:	1

Purpose of the Contract:

The purpose of this contract award is to engage a qualified independent audit firm to provide internal audit services.

Contract Scope:

The services include but are not limited to a formal process for risk assessment, analysis of existing processes and procedures, and facilitating organizational objectives in areas including operational, financial, and internal controls under the direction of DC Water’s Audit Committee. The services shall result in efficiencies and best practices that can be shared across DC Water. An annual risk assessment process will result in an annual audit plan for execution, which can be modified following consultation with management and the Audit Committee. This contract will be applicable to all areas within DC Water to determine compliance with internal controls, federal and district/state laws, and Board policies. The firm will also administer DC Water’s Fraud Hotline system.

Supplier Selection:

Eight (8) firms submitted proposals in response to an open-market solicitation for this contract. Three (3) firms were down-selected. Those firms made oral presentations which required each to present the methodology and approach they determined would best meet DC Water’s needs. The evaluation panel determined that the methodology, approach and pricing offered by RSM was the best value to DC Water.

PROCUREMENT INFORMATION

Contract Type:	Fixed Hourly Rate	Award Based On:	Highest Ranked Offeror
Commodity:	Services	Contract Number:	19-PR-OCEO-13
Contractor Market:	Open Market with Preference Points for LBE and LSBE Participation		

BUDGET INFORMATION

Funding:	Operating	Department:	Office of the CEO/GM
Project Area:	DC Water Wide	Department Head:	Wayne Griffith

ESTIMATED USER SHARE INFORMATION

User – Operating	Share %	Dollar Amount
District of Columbia	84.61%	\$1,235,306.00
Washington Suburban Sanitary Commission	11.11%	\$162,206.00
Fairfax County	2.74%	\$40,004.00
Loudoun Water	1.33%	\$19,418.00
Other (PI)	0.21%	\$3,066.00
TOTAL ESTIMATED DOLLAR AMOUNT	100.00%	\$1,460,000.00

 / 5/20/19
 Wayne Griffith / Date
 EVP of Performance

 / 5/21/19
 Dan Bae / Date
 VP of Procurement and Compliance

 / 5/22/19
 Matthew T. Brown / Date
 CFO and EVP of Finance and Procurement

 / 5/30/19
 David L. Gadis / Date
 CEO and General Manager

Presented and Adopted: June 6, 2019

Subject: Approval to Revise the Resolution for Implementing the Lead Service Line Replacement Policy

**#19-36
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY**

The District members of the Board of Directors (“the Board”) of the District of Columbia Water and Sewer Authority (“the Authority” or “DC Water”) at the Board meeting held on June 6, 2019, upon consideration of a non-joint use matter, decided by a vote of four (4) in favor and none (0) opposed, to take the following action with respect to revising the implementation of the Lead Service Line Replacement Policy.

WHEREAS, in Resolution #04-60, dated July 1, 2004, the Board established the Lead Service Line Replacement Policy (“LSLR Policy”) to remove all known lead service lines in public space no later than September 30, 2010 and replace all identified lead service lines within 90 days of its discovery; and

WHEREAS, in Resolution #08-75, dated September 4, 2008, the Board suspended Resolution #04-60 and revised the LSLR Policy directing the General Manager to: replace lead service lines in public space in conjunction with water main replacement/rehabilitation; use funds allocated in the DC Water’s annual budget to pay for discretionary lead service line replacements when the owner agrees to pay for the replacement on private property; and review the financial impact of the actions resulting from that resolution; and

WHEREAS, in Resolution #09-37, dated January 8, 2009, the Board set budget limit for the discretionary lead service line replacements not associated with water main replacements at \$2 Million in any budget year; and

WHEREAS, in Resolution #09-102, dated September 3, 2009, the Board revised the budget limit for discretionary lead service line replacements not associated with water main replacements at \$500,000 in any budget year; and

WHEREAS, in Resolution #16-47, dated June 2, 2016, the Board increased the budget limit for lead service line replacements not associated with water main replacements due to the increase of the requests to participate in DC Water's Voluntary Lead Service Line Replacement Program at \$2,000,000 in any budget year; and

WHEREAS, on May 16, 2019, the Environmental Quality and Operations Committee was presented with a comprehensive Lead Service Line Replacement Overview that included a request to increase the current budget year limitation set in Resolution #16-47 from \$2,000,000.00 to \$3,500,000.00 based on current and future customer requests to participate in DC Water's Voluntary Lead Service Line Replacement Program; and

WHEREAS, the Board has determined that it is in the best interests of Authority ratepayers to raise the budget limit for the discretionary lead service line replacements not associated with water main replacements from \$2,000,000 to \$3,500,000 in any budget year.

NOW THEREFORE BE IT RESOLVED THAT:

The District members of the Board amend Resolution #16-47 to revise paragraph numbered 3 of the Lead Service Line Replacement Policy to read as follows.

1. The total expenditures for discretionary lead service line replacements not associated with water main replacements shall not exceed \$3,500,000 in a budget year without the approval of the Board of Directors.

This resolution is effective immediately.

Secretary to the Board of Directors

Presented and Adopted: June 6, 2019

SUBJECT: Approval to Publish Notice of Proposed Rulemaking to Amend Regulations to Extend the Customer Assistance Program (CAP) to FY 2020, Effective October 1, 2019

**#19-37
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY**

The District members of the Board of Directors ("Board") of the District of Columbia Water and Sewer Authority, ("the Authority"), at the Board meeting held on June 6, 2019 upon consideration of a non-joint use matter decided by a vote of ___ (__) in favor and ___ (__) opposed to Publish Notice of Proposed Rulemaking to Amend Regulations to Extend the Customer Assistance Program (CAP) to FY 2020, effective October 1, 2019.

WHEREAS, on July 5, 2018, the Board adopted Resolution #18-57, authorizing the General Manager to transfer \$6 Million from the Rate Stabilization Fund in the Fiscal Year 2019 budget to fund the expansion of the Customer Assistance Program to provide benefits to customers with household incomes up to 80% of the area median income for not more than one fiscal year beginning October 1, 2018 to September 30, 2019; and

WHEREAS, pursuant to Resolution #18-80, dated December 6, 2018, DC Water published the Notice of Final Rulemaking (NOFR) in the *D.C. Register* on December 28, 2018 at 65 DCR 13956, to establish the rules to implement the District funded CRIAC Nonprofit Relief Programs and DC Water's CAP and CAP2 Programs, effective on January 1, 2019; and

WHEREAS, the Board intended that the eligibility for benefits provided under the CAP2 program will be provided only for the period October 1, 2018 through September 30, 2019; and

WHEREAS, in April 2019, the District informed DC Water that they would carry over the CAP2 unexpended District funds of \$1.2 million to FY 2020; and

WHEREAS, on May 28, 2019, the DC Retail Water and Sewer Rates Committee met to discuss the status of the CAP2 benefits provided to DC Water customers and were informed that approximately \$5.46 Million of the \$6 Million authorized by the Board would be unexpended in FY 2019; and

WHEREAS, on May 28, 2019, the DC Retail Water and Sewer Rates Committee met to discuss and consider the General Manager's recommendation to amend CAP2

regulations to continue the CAP2 program in FY 2020 to allow applicants that submit a complete CAP2 application to the Department of Energy and Environment (DOEE) before November 1, 2019 to receive CAP2 benefits retroactive for Fiscal year 2020 from October 1, 2019 and terminate on September 30, 2020 and CAP2 applicants that submit a complete CAP2 application to DOEE on or after November 1, 2019 shall receive CAP2 benefits from the date of submittal and terminate on September 30, 2020; and

WHEREAS, on May 28, 2019, the DC Retail Water and Sewer Rates Committee, after considering the General Manager's recommendation, and recommended amending CAP2 regulations as proposed by the General Manager; and

WHEREAS, after consideration of the recommendations of the DC Retail Water and Sewer Rates Committee and the recommendation of the General Manager to amend the CAP2 regulations as proposed by the General Manager.

NOW THEREFORE, BE IT RESOLVED THAT:

1. The District member of the Board authorize the General Manager to amend the CAP regulations extending DC Water's Customer Assistance Program benefits to FY 2020 for CAP2 (eligible households and tenants) of 3 Ccf off of their water and sewer service charges and 50% off of their monthly billed CRIAC charges, effective October 1, 2019 as summarized below and as stated in Attachment A.
2. The General Manager is authorized to take all steps necessary in his judgment and as otherwise required, to publish the Notice of Proposed Rulemaking as provided in Attachment A in accordance with the District of Columbia's Administrative Procedure Act and to publish a Notice of Public Hearing and hold a Public Hearing in the manner provided by the D.C. Official Code § 34-2202.16(b)(2) to receive comments on the Proposed Rulemaking.

This Resolution is effective immediately.

Secretary to the Board of Directors

Attachment A

DC Water's Extended CAP2
Effective October 1, 2019

Chapter 41, RETAIL WATER AND SEWER RATES, of Title 21 DCMR, WATER AND SANITATION, is amended as follows:

Paragraphs 4102.2(c), (d), and (e) of CUSTOMER ASSISTANCE PROGRAMS, are amended to read as follows:

4102 CUSTOMER ASSISTANCE PROGRAMS

4102.2 CUSTOMER ASSISTANCE PROGRAM II (CAP2)

- (c) Upon DC Water's receipt of notice from DOEE that the CAP2 customer meets the financial eligibility requirements, DC Water shall provide the CAP2 benefits for not more than the entire Fiscal Year 2020, beginning October 1, 2019 and terminating on September 30, 2020, subject to the availability of budgeted funds.
 - (1) CAP2 customers that submit a complete application to DOEE before November 1, 2019, shall receive CAP2 benefits retroactive to October 1, 2019 and terminating on September 30, 2020.
 - (2) CAP2 customer that submit a complete application to DOEE on or after November 1, 2019, shall receive CAP2 benefits as of the date of submittal and terminating on September 30, 2020.
- (d) If DC Water determines that the remaining budgeted funds are insufficient to provide CAP2 benefits, DC Water may:
 - (1) Suspend the process for accepting CAP2 applicants; or
 - (2) Suspend or adjust providing CAP2 benefits to CAP2 recipients.
- (e) The CAP2 Program shall terminate on September 30, 2020.